

*The Auditor's Communication With Those Charged
With Governance*

Guam Preservation Trust

Year ended September 30, 2022





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November 3, 2022

The Board of Directors
Guam Preservation Trust

We have performed an audit of the financial statements of Guam Preservation Trust (the Trust), a component unit of the Government of Guam, as of and for the year ended September 30, 2022, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and have issued our report thereon dated November 3, 2022.

This report summarizes our communications with those charged with governance as required by our professional standards to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process.

REQUIRED COMMUNICATIONS

Professional standards require the auditor to provide the Board of Directors (the Board or those charged with governance) with additional information regarding the scope and results of the audit that may assist the Board (or those charged with governance) in overseeing the financial reporting and disclosure processes which the management of the Trust is responsible. We summarize these required communications as follows:

Auditors' responsibilities under auditing standards generally accepted in the United States and Generally Accepted Government Auditing Standards

The financial statements are the responsibility of the Trust's management as prepared with the oversight of those charged with governance. Our audit was designed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, to obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement. We were not engaged to perform an audit of the Trust's internal control over financial reporting.

Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we will express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Our responsibilities are included in our audit engagement letter.

Overview of the planned scope and timing of the audit

Our audit scope is consistent with the plan communicated during the October 13, 2022 entrance meeting.

Matters relevant to our evaluation of the entity's ability to continue as a going concern

We did not identify any events or conditions that led us to believe there was substantial doubt about the Trust's ability to continue as a going concern.

Our views about the qualitative aspects of the entity's significant accounting practices, including:

- **Accounting policies**
- **Accounting estimates**

The Trust has not selected or changed any significant policies or changed the application of those policies in the current year. We have provided a discussion of significant accounting policies and our views regarding significant accounting estimates and financial statement disclosures and related matters in Note 2 of the basic financial statements.

Sensitive Accounting Estimates

Certain estimates are particularly sensitive due to their significance to the financial statements and the possibility that future events may differ significantly from management's expectations.

We determined that the Board is informed about management's process for formulating particularly sensitive estimates and about the basis to our conclusions regarding the reasonableness of those estimates.

Management's judgment is called upon in:

- Preparing budgets that are used to administer and monitor the Trust's operations. These budgets include determining how existing financial resources will be used in the Trust's operations.
- Determining the valuation of investments held.
- Evaluating whether there are indications that the carrying value of the Trust's long-lived assets is impaired.
- Determining the adequacy of the allowance for doubtful accounts.

Uncorrected misstatements, related to accounts and disclosures, considered by management to be immaterial

Uncorrected misstatements (i.e. adjustment either by us or brought to our attention by management) were identified during the audit and pertaining to the latest period presented, which were determined by the Trust's management be immaterial, both individually and in the aggregate, to the financial statements as a whole (see Appendix C – *Summary of Uncorrected Misstatements*).

Material corrected misstatements related to accounts and disclosures

As a result of our audit procedures, material misstatements were brought to the attention of management and were corrected during the current period (see Appendix B – *Summary of Corrected Misstatements*).

Significant deficiencies and material weaknesses in internal control

We did not identify any significant deficiencies or material weaknesses in internal control.

Our responsibility, any procedures performed and the results relating to other information in documents containing audited financial statements

In the event that the Trust issues an Annual Report or other documentation that includes the audited financial statements, you will be required to have the other information in the Trust's Annual Report be reviewed by us. Material inconsistency or knowledge of a material misstatement of fact, if any, will be discussed with the management and to the Board of Directors, if deemed necessary.

Fraud and noncompliance with laws and regulations (illegal acts)

We are not aware of any matters that require communication.

Independence matters

We are not aware of any matters that in our professional judgment would impair our independence.

Engagement team's involvement with preparation of the financial statements

Under GAS 2011 Revision, Chapter 3 General Standards, Paragraph 3.34 Requirements for Performing Non-audit Services explains that the audit team should make consideration of management's ability to effectively oversee the non-audit (or non-attest) services to be performed. The engagement team should determine that the audited entity has designated an individual who possesses suitable skill, knowledge or experience and that the individual understands the services to be performed sufficiently to oversee them. The engagement team should document consideration of management's ability to oversee non-audit services to be performed.

The engagement team believes that this significant threat is reduced to an acceptable level upon application of the following safeguards:

- The key safeguard is the involvement of an Engagement Quality Reviewer who performs review of the financial statements, required financial statement disclosures, summary of corrected misstatements and summary of uncorrected misstatements.
- The preparation of the financial statements is based on the Trust's trial balance with our understanding that the Trust's underlying books and records are maintained by the Trust's accounting department and that the final trial balance prepared by the Trust is complete.
- All adjusting journal entries that Ernst & Young posted to the trial balance have been approved by management of the Trust.

Engagement team's involvement with preparation of the financial statements, continued

- The Trust has designated the Chief Program Officer and the Administrative Service Coordinator to oversee and review the completeness and accuracy of the financial statements and footnote disclosures.

Representations we are requesting from management

We have obtained from management a letter of representations related to the audit and a copy of the letter of representations is included in Appendix A – *Management Representation Letter*.

Changes to the terms of the audit with no reasonable justification for the change

There were no changes to the terms of the audit.

Significant findings and issues arising during the audit relating to related parties

There were no significant findings and issues that arose during the audit relating to related parties.

Disagreements with management

There were no disagreements with management related to matters that are material to the Trust and/or require communication.

Control-related matters

We have issued a separate report dated November 3, 2022 on the Trust's internal control over financial reporting and its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, which was based upon the audit performed in accordance with *Government Auditing Standards*.

New accounting pronouncements

No issues have been identified with regard to management's application of new accounting pronouncements.

Significant unusual transactions

We are not aware of any significant unusual transactions executed by the Trust.

Other Matters

There are no other matters arising from the audit that are significant and relevant to those charged with governance regarding the oversight of the financial reporting process.

AICPA ethics ruling regarding third-party service providers

From time to time, and depending on the circumstances, (1) we may subcontract portions of the Audit Services to other EY firms, who may deal with the Trust directly, although EY alone will remain responsible to you for the Audit Services and (2) personnel (including non-certified public accountants) from an affiliate of EY or another EY firm or any of their respective affiliates, or from independent third-party service providers (including independent contractors), may participate in providing the Audit Services. In addition, third-party service providers may perform services for EY in connection with the Audit Services.

This report is intended solely for the information and use of the Trust's Board of Directors, management and the Office of Public Accountability of Guam, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is also a matter of public record.

Very truly yours,

Ernst + Young LLP

Appendices

A – Management Representation Letter

B – Summary of Corrected Misstatements

C – Summary of Uncorrected Misstatements

Appendix A – Management Representation Letter



GUAM PRESERVATION TRUST
INANGOKKON INADAHI GUA HAN

P.O. Box 3036 • Agana, Guam 96932
Tel: (671) 472-9439/40 • Fax: (671) 477-2047

November 3, 2022

Ernst & Young LLP
Ernst & Young Building
231 Ypao Road, Suite 201
Tamuning, Guam 96931

In connection with your audit of the basic financial statements of the Guam Preservation Trust (the Trust) as of September 30, 2022 and for year then ended, we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion whether the financial statements present fairly, in all material respects, the financial position of the of the governmental activities and General Fund of the Trust, and the respective changes in financial position, and cash flows, where applicable, thereof in accordance with accounting principles generally accepted in the United States of America. (US GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief:

Management's Responsibilities

We have fulfilled our responsibilities, as set forth in the terms of the audit engagement agreement dated September 10, 2019, for the preparation and fair presentation of the financial statements (including disclosures) in accordance with US GAAP applied on a basis consistent with that of the preceding years. In preparing the financial statements, we evaluated whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for one year after the date that the financial statements are issued (or available to be issued, if applicable), and to provide appropriate financial statement disclosure, when applicable, related to going concern and using the going concern basis of accounting unless we prepared the financial statements in accordance with the liquidation basis of accounting.

We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. We have provided you with:

- Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records, data, documentation and other matters

Appendix A – Management Representation Letter, continued

- Additional information that you have requested from us for the purpose of the audit
- Unrestricted access to persons within the Trust from whom you determined it necessary to obtain evidence

Ernst & Young LLP assisted in drafting the format of the financial statement footnotes and the formatting of the various fund financial statements that appear in the Trust's financial statements in accordance with standards of the Governmental Accounting Standards Board (GASB). Management accepts responsibility for the fund financial statements that appear in the Trust's financial statements as our own and have prepared the source documents for all transactions and have maintained accounting control.

We have made available to your representatives all financial records and related data.

The financial statements properly classify all funds and activities.

Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved. Required supplementary information (MD&A) and other schedules are measured and presented within prescribed guidelines.

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

From January 10, 2022 through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or is reasonably likely to have occurred, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material effect on the financial statements of any opinion unit that comprises the basic financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

Recipients of governmental financial assistance and/or audits performed in accordance with Government Auditing Standards

We recognize that we are responsible for the Trust's compliance with the laws, regulations, provisions of contracts and grant agreements that are applicable to it. We have identified and disclosed to your representatives, all laws, regulations, provisions of contracts and grant agreements that have direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

We have identified to your representatives all previous audits, attestation engagements, and other studies related to the audit objectives and whether the related recommendations have been implemented.

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Appendix A – Management Representation Letter, continued

There has been no noncompliance or possible noncompliance with provisions of contracts or grant agreements in any jurisdiction whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

We have informed you of any investigations or legal proceedings that have been initiated or are in process with respect to the period under audit.

We have a process to track the status of audit findings and recommendations.

Uncorrected Misstatements

We believe that the effects of any uncorrected misstatements, summarized in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. Internal Control

There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

We are not aware of any significant deficiencies or material weaknesses in the design or operation of internal control over financial reporting. There have been no significant changes in internal control since September 30, 2022.

Minutes and Contracts

The dates of meetings of directors and committees of directors and important management committees from October 1, 2021 to date of this letter are as follows:

- October 21, 2021
- November 12, 2021
- December 15, 2021
- February 9, 2022
- March 9, 2022
- April 13, 2022
- June 22, 2022
- July 13, 2022
- August 10, 2022

We have made available to you all minutes of the meetings of directors and committees of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

We also have made available to you all significant contracts, including amendments, and agreements and have communicated to you all significant oral agreements. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance, including all covenants, conditions or other requirements of all outstanding debt.

Methods, significant assumptions, and date used in making accounting estimates

The appropriateness of the methods, the consistency in application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in developing accounting

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Appendix A – Management Representation Letter, continued

estimates and related disclosures, including those measured at fair value, are reasonable and supportable.

Ownership and pledging of assets

Except for assets capitalized under capital leases, the Trust has satisfactory title to all assets appearing in the statement of net position. No security agreements have been executed under the provisions of the Uniform Commercial Code, and there are no liens or encumbrances on assets, nor has any asset been pledged. All assets to which the Trust has satisfactory title appear in the statement of net position.

Receivables and revenues

Receivables represent valid claims against the debtors indicated and do not include amounts for goods shipped or services provided subsequent to the statement of net position date, goods shipped on consignment, or other types of arrangements not constituting sales. Receivables have been determined in accordance with all relevant GASB Statements, including GASB Statements No. 33 and 62 – as amended.

Adequate provision has been made for losses, costs and expenses that may be incurred subsequent to the statement of net position date in respect of any sales and services rendered prior to that date and for uncollectible accounts, discounts, returns and allowances, etc., that may be incurred in the collection of receivables at that date.

We have disclosed to you all sales terms (both expressed and implied), including all rights of return or price adjustments and warranty provisions. We have made available to you all significant contracts, communications (either written or oral), and other relevant information pertaining to arrangements with our customers, including distributors and resellers.

Leases

We have identified and accounted for all contracts that meet the criteria to be accounted for as a lease under GASB Statement No. 87—as amended. We have appropriately considered any modifications, termination or purchase options in the contract.

Fair value measurements

We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or other third parties. Our valuation techniques have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with the requirements of GASB Statement No. 72 – as amended. In addition, our disclosures related to fair value measurements are consistent with the objectives outlined in GASB Statement No. 72 – as amended.

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Appendix A – Management Representation Letter, continued

Long-lived assets to be held and used, including amortizable intangible assets

No events or changes in circumstances have occurred that indicate the carrying amounts of long-lived assets to be held and used, including intangible assets that are subject to amortization, may not be recoverable.

Related party relationships and transactions

We have made available to you the names of all related parties and all relationships and transactions with related parties.

The substance of transactions with related parties as defined in GASB Statement No. 56—as amended, has been considered and appropriate adjustments or disclosures are made in the basic financial statements, and information concerning these transactions and amounts have been made available to you.

Side agreements and other arrangements

There have been no side agreements or other arrangements (either written or oral) that have not been disclosed to you.

Arrangements with financial institutions

Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements have been properly recorded or disclosed in the financial statements.

Events of default under debt agreements

The Trust does not have any debt agreements.

Contingent Liabilities

There are no unasserted claims or assessments, including those our lawyers have advised us of, that are probable of assertion and must be disclosed in accordance with GASB Statement No. 62 – as amended.

There have been no violations or possible violations of laws or regulations in any jurisdiction whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

There have been no internal investigations or communications from regulatory agencies or government representatives concerning investigations or allegations of noncompliance with laws or regulations in any jurisdiction, noncompliance with or deficiencies in financial reporting practices, or other matters that could have a material effect on the financial statements.

There are no other liabilities or gain or loss contingencies considered material, individually or in the aggregate, that are required to be accrued or disclosed by GASB Statement No. 62—as

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Appendix A – Management Representation Letter, continued

amended, nor are there any accruals for loss contingencies included in the statements of net position or gain contingencies reflected in earnings that are not in conformity with the provisions of GASB Statement No. 62—as amended.

We have not consulted legal counsel concerning litigation, claims or assessments.

Oral or written guarantees

There are no oral or written, including guarantees of the debt of others.

Pension Benefits

We have disclosed to you all significant pension benefits promised and have made available to you all significant summary plan descriptions, benefit communications, and all other relevant information, including plan changes that constitute the plan.

Purchase commitments

At September 30, 2022 the Trust had no purchase commitments for inventories in excess of normal requirements or at prices that were in excess of market at that date.

There were no agreements or commitments to repurchase assets previously sold. There were no material commitments outstanding at September 30, 2022 as a result of being a party to futures or forwards contracts, short sales or hedge transactions.

Required supplementary information

We acknowledge our responsibility for the required supplementary information on the management’s discussion and analysis and budgetary comparison for governmental funds, which have been measured and presented in conformity with the guidelines established by the Governmental Accounting Standards Board in its GASB statement No. 34. There have been no changes in the methods of measurement or presentation of the required supplementary information from those used in the prior period.

There are no significant assumptions or interpretations underlying the measurement or presentation of the information.

Supplementary information

We are responsible for the preparation and fair presentation of the Governmental Funds Balance Sheet/Statement of Net Position; Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Statement of Activities and the Schedule of Grant Projects Reserved for Encumbrances (the “supplementary information”). We believe the supplementary information, including the form and content, is fairly stated in all material respects in conformity with the guidelines established by the Governmental Accounting Standards Board in its GASB statement No. 34.

There have been no changes in the methods or measurement or presentation of the supplementary

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Appendix A – Management Representation Letter, continued

information from those used in the prior period.

There are no significant assumptions or interpretations underlying the measurement or presentation of the information.

Effects of new accounting principles

We have not completed the process of evaluating the effects that will result from adopting the amendments to the following codification provided in Governmental Accounting Standards Board (GASB) as discussed in Note 2:

- GASB Statement No. 91
- GASB Statement No. 94
- GASB Statement No. 96
- GASB Statement No. 99
- GASB Statement No. 100
- GASB Statement No. 101

The Trust is therefore unable to disclose the effects that adopting the amendments in the aforementioned GASB Statements will have on its financial position and the changes in its financial position when such statements are adopted.

Fraud

We acknowledge our responsibility for the design and implementation and maintenance of programs and internal control to prevent and detect fraud.

We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Trust's internal control over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees where the fraud could have a material effect on the financial statements.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have disclosed to you all allegations of financial improprieties, including fraud or suspected fraud, coming to our attention (regardless of the source or form and including, without limitation, allegations by "whistle-blowers") where such allegations could result in a misstatement of the financial statements or otherwise affect the financial reporting of the Trust.

Independence

We have communicated to you the names of all the Trust's affiliates, officers and directors.

We are not aware of any business relationship between the Trust and Ernst & Young LLP or any other member firm of the global Ernst & Young organization.

We are not aware of any reason that Ernst & Young LLP would not be considered to be independent for purposes of the Trust's audits.

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Appendix A – Management Representation Letter, continued

Conflicts of Interest

There are no instances where any officer or employee of the Trust has an interest in a company with which the Trust does business that would be considered a “conflict of interest.” Such an interest would be contrary to Trust policy.

Other Representations

- We have identified and disclosed to you, all laws, regulations and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- We have followed applicable laws and regulations in adopting, approving and amending budgets, deposits and investments, including collateral requirements on depository accounts and investments.
- The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54 – as amended.
- Components of net position (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved.
- Provisions for uncollectible receivables have been properly identified and recorded.
- Special and extraordinary items are appropriately classified and reported.
- Risk disclosures associated with deposits and investment securities are presented in accordance with GASB requirements.
- Investments are properly valued.
- Capital assets are properly capitalized, reported and, if applicable, depreciated.
- The Trust’s ability to continue as a going concern was evaluated and appropriate disclosures are made in the financial statements as necessary under GASB requirements.
- The supplementary information (management’s discussion and analysis and other financial information) have been prepared in conformity with accounting principles generally accepted in the United States as required by the Governmental Accounting Standards Board, and are consistent with the accounting principles used to prepare basis financial statements. There have been no changes in the methods of measurement or presentation of the supplementary information from those used in the prior period. There are no significant assumptions or interpretations underlying the measurement or presentation of the information.

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Appendix A – Management Representation Letter, continued

Subsequent Events

Subsequent to September 30, 2022, no events or transactions have occurred or are pending that would have a material effect on the basic financial statements at that date or for the period then ended, or that are of such significance in relation to the Trust's affairs to require mention in a note to the basic financial statements in order to make them not misleading regarding the financial position, changes in financial position, and, where applicable, cash flows of the Trust.

We understand that your audit was conducted in accordance with auditing standards generally accepted in the United States as promulgated by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, and was, therefore, designed primarily for the purpose of expressing an opinion on the financial statements as a whole, and that your tests of the accounting records and other auditing procedures were limited to those that you considered necessary for that purpose.

Very truly yours,



Michael Makio
Chairman of the Board



Joseph Quinata
Chief Program Officer

Concurrence:

The above adjustments have been discussed with us and we agree to record them.



Joseph Quinata, Chief Program Officer

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Appendix B – Summary of Corrected Misstatements

Communication schedule for corrected misstatements

Entity: <u>Guam Preservation Trust</u>		Period ended: <u>30-Sep-2022</u>	Currency: <u>USD</u>	Analysis of misstatements									
No.	W/P ref.	Account (misstatements are recorded as journal entries with a description)	Assets		Liabilities		Equity components		Income statement effect of the current period				
			Current	Non-current	Current	Non-current	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable		
RJE01	VDO100	To record initial entry of GASB 87 for lease of photo copy machine.											
		EY03 Intangible lease asset - equipment		10,045									
		EY04 Current lease liability - due within one year			(1,987)								
		EY05 Noncurrent lease liability - due more than one year				(8,058)							
RJE02	VDO100	To reclassify interest and amortization expense for the first year.											
		EY06 Interest Expense										248	
		EY07 Lease principal payment expenditure										1,987	
		6110 Equipment Rental										(2,235)	
RJE03	VDO100	To adjust current and noncurrent portion of lease liability.											
		EY05 Noncurrent lease liability - due more than one year				(2,456)			2,456				
		EY04 Current lease liability - due within one year											
RJE04	IK0100	To adjust current and noncurrent portion of lease liability.											
		EY10 Work In-Progress		52,189									
		1700 Fixed Asset		(52,189)									
RJE05	H0100	To properly classify account balances for cash and investments.											
		EY08 - Cash & CE - Merrill		270,859									
		EY11 - Cash & CE - RBC		1,258,760									
		EY10 - Cash & CE - Fidelity Investm		1,013,661									
		1030 Investments - Merrill Lynch		(270,859)									
		1061 - Investments-RBC (Asia Pacific)		(1,258,760)									
		1081 - Investments-Raymond James xR836		(1,013,661)									
RJE06	ND0100	To reclassify the current portion for FS presentation.											
		EY02 Accrued Vacation Payable				(11,749)			11,749				
		Long-term liabilities - in one year											
AJE01	VDO100	To eliminate fund level activity for 1st year.											
		EY08 Amortization Expense											2,511
		EY09 Accumulated amortization - lease equipment					(2,511)						

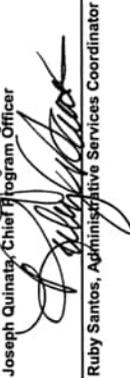
Appendix B – Summary of Corrected Misstatements, continued

Communication schedule for corrected misstatements

Entity: Guam Preservation Trust Period ended: 30-Sep-2022 Currency: USD

Corrected misstatements No. W/P ref.	Account (misstatements are recorded as journal entries with a description)	Analysis of misstatements Debit/(Credit)						Income statement effect of the current period	
		Assets Current Debit/(Credit)	Assets Non-current Debit/(Credit)	Liabilities Current Debit/(Credit)	Liabilities Non-current Debit/(Credit)	Equity components Debit/(Credit)	Effect on the current period OCI Debit/(Credit)	Debit/(Credit)	Non taxable Debit/(Credit)
AJE02	VD0100	To reclassify interest and amortization expense for the first year.							
	EY04			1,987					(1,987)
	EY07								
AJE03	E0100	To adjust the balance of Accounts Receivable to reflect the amounts confirmed by Department of Administration as outstanding at September 30, 2022.							
	1201	14,761							
	4101								108,503
	1205	58,723							
	6050								(181,967)
Total of corrected misstatements before income tax		73,484	7,534	(14,205)	6,147	0	0		(72,960)
Financial statement amounts		5,250,263	10,553,314	(32,226)	(68,342)	(15,703,009)			(3,580,713)
Effect of corrected misstatements on F/S amounts		1.4%	0.1%	44.1%	-9.0%	0.0%			2.0%


Joseph Quinata, Chief Program Officer


Ruby Santos, Administrative Services Coordinator

11/3/2022
Date

11/3/2022
Date

Appendix C – Summary of Uncorrected Misstatements

Communication schedule for uncorrected misstatements

Entity: Guam Preservation Trust Period Ended: 30-Sep-2022 Currency: USD

No.	WIP ref.	Account (Note 1)	Analysis of misstatements				Effect on the current period OCI	Income statement effect of the current period	Income statement effect of the prior period
			Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current			
(misstatements are recorded as journal entries with a description)			Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit)	Debit/(Credit)	
Factual misstatements:									
PYSAD		To correct the account receivable balance for foreign tax credit as of September 30, 2021.							
Total of uncorrected misstatements before income tax			0	0	0	0	0	0	4,286
Total of uncorrected misstatements			0	0	0	0	0	0	4,286
Financial statement amounts			5,250,263	10,553,314	(32,226)	(68,342)	(15,703,009)	18,620	22.8%
Effect of uncorrected misstatements on F/S amounts			0.0%	0.0%	0.0%	0.0%	0.0%	0	0
Memo: Total of non-taxable items (marked 'X' above)									
Uncorrected misstatements before income tax							0.0%	4,286	
Less: Tax effect of misstatements at current year marginal rate							0%	0	
Uncorrected misstatements in income tax							0.0%	0	
Cumulative effect of uncorrected misstatements after tax but before turnaround							0.0%	0	
Turnaround effect of prior period uncorrected misstatements									4,286
All factual and projected misstatements: Judgmental misstatements (Note 3):									
Cumulative effect of uncorrected misstatements, after turnaround effect							0.1%	(4,286)	
Current year income before tax								(3,590,713)	
Current year income after tax								(3,590,713)	

Memo: Before tax
After tax
Memo: Before tax
After tax

11/3/2022 Date
11/3/2022 Date

Joseph Quina, Chief Program Officer
Ruby Santos, Administrative Services Coordinator