

**PACIFIC NORTHWEST FOUNDATION, INC.**  
**COMPILED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

# Karen L. Cassidy

CERTIFIED PUBLIC ACCOUNTANT

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## ACCOUNTANTS' COMPILATION REPORT

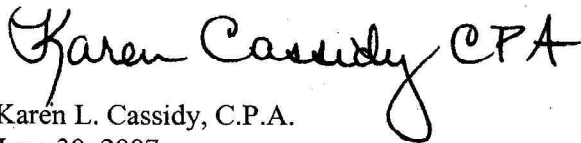
To the Board of Directors  
Pacific Northwest Foundation, Inc.  
Portland, Oregon

I have compiled the accompanying statement of assets, liabilities, and equity of Pacific Northwest Foundation, Inc. (a private foundation) as of December 31, 2006, and the related statement of revenues and expenses for the year then ended, and the accompanying supplementary information which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. I have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the foundation's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Pacific Northwest Foundation, Inc.



Karen L. Cassidy, C.P.A.  
June 30, 2007

Pacific Northwest Foundation  
Statement of Assets, Liabilities and Equity  
December 31, 2006

Assets		
Current Assets		
Cash	\$	71,121.16
Loan Receivable - Carbon Based		58,000.00
Loan Receivable - Knowledge		135,750.00
Loan Receivable - Assoc. Publ.		60,421.71
Note Receivable - Gatepost		289,990.00
Note Receivable - Bonanza #24		74,400.00
Note Receivable - Bonanza #5		76,925.00
Marketable Securities		<u>1,331,851.59</u>
Total Current Assets	\$	2,098,459.46
Fixed Assets		
Land & Building		8,995.00
Real Property - Las Vegas		2,275,557.68
Computer Equipment		6,608.36
Tech. Assessment Equipment		30,646.62
Accumulated Depreciation		<u>(23,464.00)</u>
Net Fixed Assets		<u>2,298,343.66</u>
Total Assets	\$	<u><u>4,396,803.12</u></u>
Liabilities and Equity		
Current Liabilities		
Credit Card Payable	\$	<u>289.85</u>
Total Current Liabilities	\$	289.85
Long Term Liabilities		
Mortgage Payable - Weststar		<u>1,068,000.00</u>
Total Long Term Liabilities		1,068,000.00
Equity		
Trust Principal		3,346,409.48
Excess of Revenues over Expenses		<u>(17,896.21)</u>
Total Equity		<u>3,328,513.27</u>
Total Liabilities & Equity	\$	<u><u>4,396,803.12</u></u>

Pacific Northwest Foundation  
Statement of Revenues and Expenses  
For the Period Ended December 31, 2006

	12 Months Ended Dec. 31, 2006	Pct
<b>Revenues</b>		
Contributions Received	\$ 700.00	0.23
Dividend Income	95,574.76	31.13
Interest Income	20,138.23	6.56
Gain (Loss) on Sale of Stocks Health Project	186,366.90	60.70
	4,268.88	1.39
Total Revenues	307,048.77	100.00
<b>Operating Expenses</b>		
Accounting	2,892.50	0.94
Bank Charges	233.29	0.08
Business Meals	419.30	0.14
Conferences	901.52	0.29
Contributions and Grants	420.00	0.14
Depreciation	1,250.00	0.41
Dues and Subscriptions	1,042.92	0.34
Education	36,032.52	11.74
Health Project	22,929.45	7.47
Technology Assessment Project	4,479.10	1.46
Insurance	1,798.10	0.59
Insurance - Life	2,529.60	0.82
Insurance - Disability	2,768.98	0.90
Insurance - Health	9,080.50	2.96
Insurance - Workers' Comp.	418.00	0.14
Investment Fees	17,873.38	5.82
Interest	509.92	0.17
Legal	8,500.00	2.77
Licenses and Fees	100.00	0.03
Medical Expense	13,543.58	4.41
Office Expense	4,299.63	1.40
Pension Contribution	94,533.00	30.79
Pension Administration	2,155.00	0.70
Postage	1,452.43	0.47
Salaries and Wages	54,035.08	17.60
Storage	1,620.00	0.53
Taxes - Payroll	2,949.69	0.96
Taxes - Federal & State	5,692.00	1.85
Taxes - Foreign withheld	1,025.61	0.33
Telephone	3,223.56	1.05
Travel	2,720.89	0.89
Rental (Income)/Expense	23,515.43	7.66
Total Expenses	324,944.98	105.83
Excess of Revenues over Expenses	\$ (17,896.21)	(5.83)

See Accountants' Compilation Report

**SUPPLEMENTARY  
INFORMATION**

Pacific Northwest Foundation  
Schedule of Current Assets  
December 31, 2006

Cash

Cash - U.S. Bank	\$	55,750.27
Cash - U.S. Bank #2		5,046.92
Cash - Pershing		1,921.15
Cash - CMTA		5,117.28
Cash - Pershing Money Mkt		<u>3,285.54</u>

Total Cash \$ 71,121.16

Marketable Securities

Investments - Pershing	\$	<u>1,331,851.59</u>
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Total Marketable Securities \$ 1,331,851.59

Pacific Northwest Foundation  
 Schedule of Operating Expenses  
 For the Year Ended December 31, 2006

	12 Months Ended Dec. 31, 2006	Pct
Rental (Income)/Expenses		
Rental Income	\$ (63,300.05)	(20.62)
Gain on Sale of Real Estate	(46,513.87)	(15.15)
Depreciation	20,459.00	6.66
Homeowners Dues	11,922.54	3.88
Insurance	1,449.71	0.47
Interest - Mortgage	26,748.00	8.71
Legal	396.00	0.13
Maintenance & Repairs	42,551.10	13.86
Management Fees	6,464.47	2.11
Property Taxes	12,959.31	4.22
Travel	923.06	0.30
Utilites	<u>9,456.16</u>	<u>3.08</u>
 Total Rental (Income)/Expenses	 \$ <u>23,515.43</u>	 <u>7.66</u>