

**PACIFIC NORTHWEST FOUNDATION, INC.**  
**COMPILED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

# Karen L. Cassidy

CERTIFIED PUBLIC ACCOUNTANT

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## ACCOUNTANTS' COMPILATION REPORT

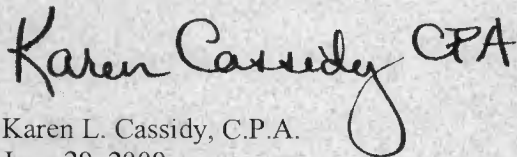
To the Board of Directors  
Pacific Northwest Foundation, Inc.  
Portland, Oregon

I have compiled the accompanying statement of assets, liabilities, and equity of Pacific Northwest Foundation, Inc. (a private foundation) as of December 31, 2008, 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.

Handwritten signature of Karen Cassidy CPA in cursive script.

Karen L. Cassidy, C.P.A.  
June 29, 2009

Pacific Northwest Foundation  
Statement of Assets, Liabilities and Equity  
December 31, 2008

Assets		
Current Assets		
Cash	\$	664,729.85
Loan Receivable - Carbon Based		58,000.00
Loan Receivable - Knowledge		135,750.00
Note Receivable - Gatepost		289,806.46
Note Receivable - Bonanza #24		74,400.00
Marketable Securities		<u>41,915.17</u>
Total Current Assets	\$	1,264,601.48
Fixed Assets		
Land & Building		8,995.00
Real Property - Las Vegas		390,248.88
Computer Equipment		8,222.55
Tech. Assessment Equipment		30,646.62
Accumulated Depreciation		<u>(26,482.05)</u>
Net Fixed Assets		<u>411,631.00</u>
Total Assets	\$	<u><u>1,676,232.48</u></u>
Liabilities and Equity		
Current Liabilities		
Credit Card Payable	\$	<u>20,584.74</u>
Total Current Liabilities	\$	20,584.74
Equity		
Trust Principal		3,030,951.07
Excess of Revenues over Expenses		<u>(1,375,303.33)</u>
Total Equity		<u>1,655,647.74</u>
Total Liabilities & Equity	\$	<u><u>1,676,232.48</u></u>

See Accountants' Compilation Report

Pacific Northwest Foundation  
Statement of Revenues and Expenses  
For the Period Ended December 31, 2008

	12 Months Ended Dec. 31, 2008	Pct
<b>Revenues</b>		
Dividend Income	\$ 29,174.03	(9.24)
Interest Income	9,012.46	(2.85)
Capital Gain - Short Term	47.48	(0.02)
Capital Gain - Long Term	15,480.24	(4.90)
Gain (Loss) on Sale of Stocks	(369,548.74)	117.01
Total Revenues	(315,834.53)	100.00
<b>Operating Expenses</b>		
Accounting	3,822.75	(1.21)
Auto and Truck Expense	86.85	(0.03)
Bank Charges	115.27	(0.04)
Business Meals	27.40	(0.01)
Computer Supplies	1,366.97	(0.43)
Conferences	85.00	(0.03)
Contributions and Grants	255,236.93	(80.81)
Depreciation	1,478.00	(0.47)
Dues and Subscriptions	804.00	(0.25)
Education	16.59	(0.01)
Health Project	13,835.80	(4.38)
Insurance	658.40	(0.21)
Insurance - Life	843.20	(0.27)
Insurance - Disability	2,768.98	(0.88)
Insurance - Health	7,094.90	(2.25)
Investment Fees	10,315.90	(3.27)
Medical Expense	5,536.53	(1.75)
Office Expense	1,393.49	(0.44)
Outside Labor	415.00	(0.13)
Payroll Processing Fee	708.00	(0.22)
Postage	14,584.69	(4.62)
Professional Fees	791.07	(0.25)
Salaries and Wages	76,487.54	(24.22)
Taxes - Payroll	14,556.72	(4.61)
Taxes - Federal & State	420.00	(0.13)
Taxes - Foreign withheld	27.26	(0.01)
Telephone	2,120.75	(0.67)
Travel	136.80	(0.04)
Rental (Income)/Expense	643,734.01	(203.82)
Total Expenses	1,059,468.80	(335.45)
Excess of Revenues over Expenses	\$ (1,375,303.33)	435.45

SUPPLEMENTARY  
INFORMATION

Pacific Northwest Foundation  
Schedule of Current Assets  
December 31, 2008

Cash			
Cash - U.S. Bank	\$	6,246.82	
Cash - U.S. Bank #2		6,516.59	
Cash - CMTA		1,434.45	
Cash - Money Concepts Capital		286,037.72	
Cash - Genworth 1647648		240,737.66	
Cash - Genworth 0134958		95,171.86	
Cash - Consumer Protection		100.00	
Cash - Bank of America		25,153.99	
Cash - Bonanza Resources		27.86	
Cash - HFC		15.60	
Cash - High Noon		2,568.00	
Cash - Howard FC		685.00	
Cash - Seguro Resources		<u>34.30</u>	
Total Cash			\$ <u>664,729.85</u>
Marketable Securities			
Investments - Money Concepts	\$	41,809.68	
Investments - Genworth 1647648		10.08	
Investments - Genworth 0134958		<u>95.41</u>	
Total Marketable Securities			\$ <u>41,915.17</u>

Pacific Northwest Foundation  
Schedule of Operating Expenses  
For the Year Ended December 31, 2008

	12 Months Ended Dec. 31, 2008	Pct
Rental (Income)/Expenses		
Rental Income	\$ (59,745.83)	18.92
(Gain) Loss - Sale of Property	505,770.61	(160.14)
Depreciation	39,169.00	(12.40)
Homeowners Dues	24,952.53	(7.90)
Insurance	2,546.97	(0.81)
Interest - Mortgage	48,957.30	(15.50)
Legal	996.00	(0.32)
Maintenance & Repairs	46,180.53	(14.62)
Management Fees	11,595.93	(3.67)
Property Taxes	17,526.55	(5.55)
Travel	3,758.08	(1.19)
Utilites	<u>2,026.34</u>	<u>(0.64)</u>
Total Rental (Income)/Expenses	\$ <u>643,734.01</u>	<u>(203.82)</u>