

THE PACIFIC FOREST TRUST, INC.
(A California Nonprofit Public Benefit Corporation)

STATEMENTS OF FINANCIAL POSITION
December 31, 2007 and 2006

	2007	2006
ASSETS		
Current assets:		
Cash and cash equivalents (Note 1)	\$ 149,170	\$ 281,330
Accounts receivable (Note 1)	128,272	46,799
Current portion of grants and contributions receivable (Note 2)	1,372,281	998,924
Current portion of notes receivable (Note 3)	38,856	42,523
Prepaid expenses	18,107	14,373
Total current assets	1,706,686	1,383,949
Investments (Note 4)	4,077,986	3,748,815
Remainder interest in trust property (Note 5)	844,367	844,367
Grants and contributions receivable, net of current portion (Note 2)	150,000	-
Notes receivable, net of current portion (Note 3)	218,302	295,514
Deposits	9,876	10,000
Conservation land (Note 6)	7,550,000	7,550,000
Equipment and improvements, net of accumulated depreciation of \$80,570 in 2007 and \$71,754 in 2006 (Notes 1 and 7)	26,553	23,941
Total assets	\$ 14,583,770	\$ 13,856,586
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 16,329	\$ 15,583
Accrued vacations	53,636	46,858
Margin loan (Note 8)	728,860	473,173
Total current liabilities	798,825	535,614
Notes payable (Note 9)	2,250,000	2,250,000
Total liabilities	3,048,825	2,785,614
Net assets (Note 10):		
Unrestricted	6,334,982	6,251,899
Temporarily restricted	4,179,500	3,798,610
Permanently restricted	1,020,463	1,020,463
Total net assets	11,534,945	11,070,972
Total liabilities and net assets	\$ 14,583,770	\$ 13,856,586

The accompanying notes are an integral part of these financial statements.

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STATEMENTS OF ACTIVITIES
For the year ended December 31, 2007

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT, REVENUE AND TRANSFERS				
Support:				
Foundation grants	\$ 875,558	\$ 521,342	\$ -	\$ 1,396,900
Individual contributions	365,050	25,000	-	390,050
Corporate grants	41,200	-	-	41,200
State grant	4,006,000	-	-	4,006,000
Other in-kind contribution	3,500	-	-	3,500
Total support	<u>5,291,308</u>	<u>546,342</u>	<u>-</u>	<u>5,837,650</u>
Revenue:				
Fees for services	423,469	-	-	423,469
Sales and miscellaneous revenue	9,435	-	-	9,435
Investment income (Note 4)	<u>382,172</u>	<u>8,408</u>	<u>-</u>	<u>390,580</u>
Total revenue	<u>815,076</u>	<u>8,408</u>	<u>-</u>	<u>823,484</u>
Net assets released from restriction (Note 11)	<u>173,860</u>	<u>(173,860)</u>	<u>-</u>	<u>-</u>
Total support, revenue and transfers	<u>6,280,244</u>	<u>380,890</u>	<u>-</u>	<u>6,661,134</u>
EXPENSES				
Direct program expenses				
Forest conservation	4,555,501	-	-	4,555,501
General program	204,746	-	-	204,746
Incentives	656,170	-	-	656,170
Stewardship forestry	191,328	-	-	191,328
Constituency building	220,357	-	-	220,357
General and administrative	202,370	-	-	202,370
Fundraising	<u>166,689</u>	<u>-</u>	<u>-</u>	<u>166,689</u>
Total expenses	<u>6,197,161</u>	<u>-</u>	<u>-</u>	<u>6,197,161</u>
Change in net assets	83,083	380,890	-	463,973
Net assets, beginning of year	<u>6,251,899</u>	<u>3,798,610</u>	<u>1,020,463</u>	<u>11,070,972</u>
Net assets, end of year	<u>\$ 6,334,982</u>	<u>\$ 4,179,500</u>	<u>\$ 1,020,463</u>	<u>\$11,534,945</u>

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