PACIFICA FOUNDATION RETIREMENT PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

SEPTEMBER 30, 2010 and 2009

(WITH INDEPENDENT AUDITORS' REPORT THEREON)

PACIFICA FOUNDATION RETIREMENT PLAN

FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 and 2009

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INDEPENDENT AUDITORS' REPORT

To The Plan Administrator
Pacifica Foundation Retirement Plan:

We have audited the accompanying Statements of Net Assets Available for Benefits of Pacifica Foundation Retirement Plan (the "Plan") as of September 30, 2010 and 2009 and the related Statements of Changes in Net Assets Available for Benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Pacifica Foundation Retirement Plan as of September 30, 2010 and 2009, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedule of assets held for investment purposes at September 30, 2010 is presented for purposes of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplementary schedule is the responsibility of the Plan's management. The supplementary schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PMB Helin Donovan, LLP

PMB Helin Donovan, LLP

San Francisco, California
July 12, 2011

PACIFICA FOUNDATION RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AT SEPTEMBER 30, 2010 AND 2009

		2010	2009
ASSETS:			
Investments, at fair value:			
Money market funds	$	2,567	81,984
Fixed income funds		65,973	28,650
Equity funds		597,453	428,469
Total investments		665,993	539,103
Receivables:			
Employer contributions		87,152	96,561
Total Assets		753,145	635,664
LIABILITIES:			
Accrued expenses		3,704	3,704
Total Liabilities		3,704	3,704
Net Assets Available for Benefits	$	749,441	631,960

See report of independent auditors and accompanying notes to financial statements

PACIFICA FOUNDATION RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2009

	2010	2009
Additions:		
Additions to Net Assets Attributed to:		
Investment Income:		
Net appreciation in fair value of investments	$ 54,720	(20,280)
Interest, dividends and capital gains distributions	5,874	13,775
Total Investment Income	60,594	(6,505)
Contributions:		
Employer	87,152	96,555
Total Additions	147,746	96,555
Deductions:		
Deductions from Net Assets Attributed to:		
Benefits paid to participants	25,710	19,514
Administrative expense	4,555	3,179
Total Deductions	30,265	22,693
Net Increase	117,481	67,357
Plan Assets Available for Benefits:		
Beginning of Year	631,960	564,603
End of Year	$ 749,441	631,960

See report of independent auditors and accompanying notes to financial statements

NOTE A—DESCRIPTION OF PLAN

The following description of Pacifica Foundation Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is defined contribution profit sharing plan covering all eligible employees of Pacifica Foundation, Inc. (the "Foundation") who have attained age 18 and have completed 1,000 hours of employment during the plan year. Each eligible employee of the Foundation will become a Participant in the Plan on the earlier of first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date the eligibility requirements are met. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), the Internal Revenue Code of 1986 (IRC), the Small Business Job Protection Act of 1996 and the Taxpayers Relief Act of 1997.

Contributions

The Foundation may make an annual profit sharing contribution to the Plan, based on 2% of the total annual compensation earned per employee during the Plan year. Additional profit sharing amounts may be contributed at the option of the Foundation's board of directors and are invested in a portfolio of investments as directed by the Foundation. All contributions are subject to limitations imposed by the applicable provisions of the Internal Revenue Code. The Foundation contributed $87,152 and $96,555 to the Plan for the years ended September 30, 2010 and 2009, respectively.

Participant Accounts

Each participant's account is credited with the participant's rollover contribution and allocations of (a) the Foundation's annual discretionary contribution, (b) Plan investment earnings, losses and expenses, and (c) forfeiture of terminated participant's nonvested accounts. Allocations are based on participant earnings or account balances as defined by the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participants vested account.

NOTE A—DESCRIPTION OF PLAN (Continued)

Vesting

Participants vest in their individual share of the Foundation's contribution plus actual earnings thereon based on the numbers of years of continuous service. A year of service is defined as a minimum of 1,000 hours of service during any plan year. A participant is 100% vested after six years of credited service as summarized as follows:

Years of Service	Vested Percentage
Two Years	20%
Three Years	40%
Four Years	60%
Five Years	80%
Six years	100%

Payment of Benefits

Benefits become available to participants on the earliest of four events: (1) upon the participant's retirement, (2) disability, (3) death of the participant (benefits are payable to the participants spouse or beneficiary), or (4) for termination of employment for any reason other than death, disability or retirement, a participant will be entitled to receive his or her vested account balance as a lump-sum distribution.

Forfeited Accounts

Participants' forfeitures will be used to supplement employer contributions. At September 30, 2010 and 2009, the forfeited accounts totaled $2,266 and $0, respectively. In 2010 and 2009, the employer contributions were reduced by $1,453 and $416, respectively.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the plan are prepared under the accrual method of accounting.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates. The fair value of investment is a significant estimate of the Plan.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's administrative costs, other than investment administration expenses, are paid by Pacifica Foundation, Inc., the Plan Sponsor.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation and Income Recognition
The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfers a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Money market funds are valued at stated value which approximates fair value. Shares of mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. Investment income includes net appreciation (depreciation) in fair value of investments including realized gains and losses on investments sold during the year, and net appreciation (depreciation) of the investments held at the end of the year. The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE C—FAIR VALUE

The fair value of the Plan's financial instruments reflects the amounts that the Plan estimates to receive in connection with the sale of an asset or paid in connection with the transfer of a liability in an orderly transaction between market participants at the measurement date (exit price). The guidance also established a fair value hierarchy that prioritizes the use of inputs used in valuation techniques into the following three levels:

Financial instruments are considered Level 1 when their values are determined using quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1, such as quoted prices for similar assets in active or inactive markets, inputs other than quoted prices that are observable for the asset, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial instruments also include those for which the determination of fair value requires significant management judgment or estimation.

NOTE C—FAIR VALUE (Continued)

In accordance with the authoritative accounting guidance, the following table represents the Plan's fair value hierarchy for its investments measured at fair value on a recurring basis as of September 30, 2010 and 2009:

		Fair Value Measurements at Reporting Date Using:		
	September 30, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 663,426	$ 663,426	$ —	$ —
Total	$ 663,426	$ 663,426	$ —	$ —

		Fair Value Measurements at Reporting Date Using:		
	September 30, 2009	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 457,119	$ 457,119	$ —	$ —
Total	$ 457,119	$ 457,119	$ —	$ —

NOTE D—INVESTMENTS

Effective October 1, 1995, the Plan entered into an agreement with Linsco/Private Ledger to act as custodian of the Plan assets. All investments are non-participant directed. Investments that represent 5% or more of the Plan's net assets at September 30, 2010 and 2009 are separately identified.

NOTE D—INVESTMENTS (Continued)

Investments, at Fair Value		
Mutual Funds	2010	2009
Neuberger & Berman Equity FDS - Socially Responsive FD	$ 136,552	$ 53,719
Parnassus Inc FD - Equity Income	107,241	97,048
Alger Funds II - Green Fund Class A	75,037	49,345
Pax World Funds SER TR I - High Yield Bond FD	45,724	28,650
PIMCO FDS - Total Return Fund III	45,001	28,650
Pax World Funds SER TR I - Growth FD Individual INVS CL	42,049	31,982
Calvert World Values FD - Intl Equity FD CL A	41,939	28,768
Calvert Impact FD - Small Cap Value Fund Class A	39,828	31,915

For the years ended September 30, 2010 and 2009, the Plan's investments in mutual funds and money market funds (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $60,594 and depreciated in value by $6,505 respectively.

NOTE E—RELATED PARTY TRANSACTION

The Plan paid investment advisory fees to its investment advisor and these fees were allocated among participant accounts. These transactions qualify as party-in-interest transactions. Net fees paid by the participants were $4,555 and $3,179 for the years ended September 30, 2010 and 2009, respectively.

NOTE F—TAX STATUS

The IRS has determined and informed the company by a letter dated May 24, 1993, that the plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the plan has been amended since receiving the determination letter, the plan administrator and the plan's tax counsel believe that the plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the plan is qualified and the related trust is tax exempt.

NOTE F—TAX STATUS (Continued)

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to its fiscal year beginning October 1, 2009.

NOTE G—PLAN TERMINATION

Although it has not expressed any intent to do so, the Foundation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE H—FIDELITY BOND

The Plan was covered by a $1,000,000 fidelity bond effective May 5, 2010 during the year ended September 30, 2010.

NOTE I—PARTICIPANT DIRECTED INVESTMENT

The Investment Advisor directs all investments. There are no participant directed investments as of September 30, 2010 and 2009.

NOTE J—RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants account balances and the amounts reported in the statement of net assets available for benefits.

NOTE K—SUBSEQUENT EVENTS

The Plan has evaluated all subsequent events through July 12, 2011, the date of the financial statements were available to be issued.

NOTE L—RECONCILIATION OF SCHEDULE H OF FORM 5500 TO FINANCIAL STATEMETNS

There are no reconciling items between the net assets available for benefits or contributions paid for participants per the audited financial statements and per the Form 5500.

PACIFICA FOUNDATION RETIREMENT PLAN
Supplementary Schedule – Assets Held for Investment Purposes at End of Year
September 30, 2010

(a)	(b) Identity of issuer, borrower, lesser, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
	Money Market Funds			
	JP Morgan	JP Morgan Prime Money Market Fund	$ 2,567	$ 2,567
	Fixed Income Funds			
	MFS	MFS Emerging Market Debt Fund	$ 19,007	$ 20,249
	Pax	Pax World High Yield Bond Fund	44,476	45,724
			$ 63,483	$ 65,973
	Equity Funds			
	Alger	Alger Green Fund Class A	$ 71,025	$ 75,037
	Ariel	Ariel Appreciation Fund	22,007	20,253
	Calvert	Calvert Mid Cap Value Fund Class A	18,515	20,789
		Calvert Small Cap Value Fund Class A	36,434	39,828
		Calvert World Values International Fund Class A	51,491	41,939
	Neuberger & Berman	Neuberger & Berman Socially Responsive Fund	131,989	136,552
	Oppenheimer	Oppenheimer Development Market Fund Class A	10,226	14,866
	Parnassus	Parnassus Small Cap Fund	22,095	25,742
		Parnassus Equity Income Fund	104,211	107,241
	Pax	Pax World Growth Fund	36,403	42,049
	PIMCO	PIMCO Total Return Fund III	42,288	45,001
	Winslow Green	Winslow Green Growth Fund Investor	40,933	28,156
			$ 587,617	$ 597,453
	Total Assets Held for Investment Purposes		**$ 653,667**	**$ 665,993**