

**OUTRIGGER DUKE KAHANAMOKU
FOUNDATION AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANT'S REVIEW REPORT
As of and for the Year Ended June 30, 2025
With Prior Year Comparative Information**





INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Outrigger Duke Kahanamoku Foundation and affiliate:

Report on the Consolidated Financial Statements

We have reviewed the accompanying consolidated financial statements of Outrigger Duke Kahanamoku Foundation (Foundation) and its affiliate, both of which are nonprofit Hawaii corporations, which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with U.S. GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Foundation and its affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with U.S. GAAP.

Summarized Comparative Information

We previously reviewed the June 30, 2024 consolidated financial statements of the Foundation and its affiliate and, in our report dated March 8, 2025, stated that based on our procedures, we are not aware of any material modifications that should be made to the June 30, 2024 consolidated financial statements in order for them to be in accordance with U.S. GAAP. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended June 30, 2024 for it to be consistent with the reviewed consolidated financial statements from which it has been derived.

CW Associates, CPAs

CW Associates, CPAs
Honolulu, Hawaii
March 24, 2026



OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

**As of June 30, 2025
(With Prior Year Comparative Information)**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash (including interest-bearing accounts)	\$ 273,423	\$ 273,014
Contributions and other receivables – net	5,005	3,430
Prepaid expenses and other assets	2,231	6,907
Investments in marketable securities	<u>2,386,015</u>	<u>2,225,045</u>
TOTAL ASSETS	<u>\$2,666,674</u>	<u>\$2,508,396</u>
LIABILITIES		
Accounts payable	\$ 84,260	\$ 20,240
Deferred revenue	<u>3,025</u>	<u>18,137</u>
Total liabilities	<u>87,285</u>	<u>38,377</u>
NET ASSETS		
Net assets without donor restrictions		
Undesignated	1,647,311	1,539,897
Board designated as Memorial Funds	<u>927,994</u>	<u>924,144</u>
Total net assets without donor restrictions	2,575,305	2,464,041
Net assets with donor restrictions	<u>4,084</u>	<u>5,978</u>
Total net assets	<u>2,579,389</u>	<u>2,470,019</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$2,666,674</u>	<u>\$2,508,396</u>

See accompanying notes to the consolidated financial statements
and independent accountant's review report.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

	<u>2025</u>	<u>2024</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Support and revenue		
Contributions without donor restrictions	\$ 100,639	\$ 66,871
Other special events – net	71,640	102,928
Net assets released from donor restrictions	56,112	98,614
OceanFest – net	(27,974)	50,696
Interest and dividend income – net	24,619	32,066
Other revenue and support	<u>2,722</u>	<u>4,456</u>
Total support and revenue	<u>227,758</u>	<u>355,631</u>
Expenses		
Program services	227,771	264,426
Management and general	70,744	71,978
Fundraising	<u>10,761</u>	<u>13,713</u>
Total expenses	<u>309,276</u>	<u>350,117</u>
Support and revenue less expenses	(81,518)	5,514
Net gains on investments in marketable securities	<u>192,782</u>	<u>207,720</u>
Increase in net assets without donor restrictions	<u>111,264</u>	<u>213,234</u>
 CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions with donor restrictions	54,218	92,592
Net assets released from donor restrictions	<u>(56,112)</u>	<u>(98,614)</u>
Decrease in net assets with donor restrictions	<u>(1,894)</u>	<u>(6,022)</u>
 INCREASE IN NET ASSETS	109,370	207,212
 NET ASSETS – Beginning of year	<u>2,470,019</u>	<u>2,262,807</u>
 NET ASSETS – End of year	<u>\$2,579,389</u>	<u>\$2,470,019</u>

See accompanying notes to the consolidated financial statements
and independent accountant's review report.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

	<u>Program Services</u>	<u>Oceanfest</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>2025 Total</u>	<u>2024 Total</u>
Supplies	\$ 6,129	\$ 132,032	\$ 3,830	\$ 65,788	\$ 207,779	\$ 167,539
Contract services	-	136,741	-	-	136,741	223,409
Scholarships	136,380	-	-	-	136,380	142,566
Coordinators	25,657	28,865	29,323	18,327	102,172	88,373
Professional fees	2,301	9,238	27,330	59,980	98,849	116,778
Advertising and promotion	-	61,948	-	412	62,360	33,377
Grants	51,200	-	-	-	51,200	79,020
Insurance	-	23,067	2,794	-	25,861	9,352
Other	-	12,981	1,406	135	14,522	10,102
Travel and entertainment	-	3,886	-	8,738	12,624	14,584
Office and administrative	1,602	6,158	1,002	1,402	10,164	8,535
Website development	4,502	1,047	4,502	-	10,051	11,370
General excise tax	-	188	-	7,194	7,382	9,861
Printing and postage	-	-	557	3,453	4,010	4,414
Total	<u>227,771</u>	<u>416,151</u>	<u>70,744</u>	<u>165,429</u>	<u>880,095</u>	<u>919,280</u>
Special event direct expenses reported net with revenue on the statement of activities	<u>-</u>	<u>(416,151)</u>	<u>-</u>	<u>(154,668)</u>	<u>(570,819)</u>	<u>(569,163)</u>
Total expenses on the statement of activities	<u>\$227,771</u>	<u>\$ -</u>	<u>\$70,744</u>	<u>\$ 10,761</u>	<u>\$309,276</u>	<u>\$350,117</u>

See accompanying notes to the consolidated financial statements
and independent accountant's review report.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

CONSOLIDATED STATEMENT OF CASH FLOWS

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 109,370	\$ 207,212
Adjustments to reconcile increase in net assets to net cash used by operating activities		
Realized (gains) losses from sales of investments in marketable securities	(48,390)	45,071
Unrealized gains from holding investments in marketable securities	(144,392)	(252,791)
(Increase) decrease in		
Contributions and other receivables – net	(1,575)	(2,455)
Prepaid expenses and other assets	4,676	31,677
Increase (decrease) in		
Accounts payable	64,020	(52,348)
Deferred revenue	<u>(15,112)</u>	<u>(20,183)</u>
Net cash used by operating activities	<u>(31,403)</u>	<u>(43,817)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments in marketable securities	866,770	838,526
Purchases of investments in marketable securities	<u>(834,958)</u>	<u>(895,592)</u>
Net cash provided (used) by investing activities	<u>31,812</u>	<u>(57,066)</u>
NET INCREASE (DECREASE) IN CASH	409	(100,883)
CASH – Beginning of year	<u>273,014</u>	<u>373,897</u>
CASH – End of year	<u>\$ 273,423</u>	<u>\$ 273,014</u>

See accompanying notes to the consolidated financial statements
and independent accountant's review report.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Activity

The Outrigger Duke Kahanamoku Foundation (Foundation) was created in honor of one of Hawaii's greatest athletes, three-time Olympic Gold Medalist and Native Hawaiian Duke Kahanamoku, whose Olympic career spanned 20 years. The Foundation is the result of a merger in February 1986 of the Outrigger Foundation and the Duke Kahanamoku Foundation, nonprofit Hawaii corporations organized for comparable charitable and community purposes. The Foundation's affiliate, ODKF Support Inc. (affiliate), was incorporated in Hawaii in October 2008 as a supporting organization of the Foundation.

The objectives of the Foundation are to keep alive the memory of Duke Kahanamoku by helping athletes in Hawaii to participate in athletic competitions and further their education with the hope that they will emulate the remarkable accomplishments and character of Duke Kahanamoku; to financially support the development of individuals and organizations that perpetuate the spirit and legacy of Duke Kahanamoku; to encourage athletes and scholars whose endeavors will contribute to the growth and development of athletics in Hawaii; to support athletic events and participation by teams and individuals ranging from local to international competition; to help individuals in furthering their education; and to assist in preserving, perpetuating, and developing sports and arts that have a special cultural or historical significance to Hawaii.

The Foundation achieves its purpose primarily by awarding athletic grants to teams and individuals for use towards tournaments and competitions; and through scholarship grants, which are given to individual athletes pursuing post high school education. Grantees must meet certain criteria established by the Foundation. The principal fundraising events are the annual OceanFest, a seven-day tribute to Duke Kahanamoku that is operated by the Foundation's affiliate, and the Waterman Hall of Fame Awards Dinner.

The accompanying consolidated financial statements include the accounts of the Foundation and its affiliate. All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which require the Foundation and its affiliate to report information regarding their financial position and activities according to the following net asset classifications:

Net Assets without Donor Restrictions consist of net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation and its affiliate. These net assets may be used at the discretion of the Foundation and its affiliate's management and Board of Directors.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2025
(With Prior Year Comparative Information)

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (continued)

Net Assets with Donor Restrictions consist of net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation and its affiliate or the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated the funds be maintained in perpetuity (none in 2025 and 2024). At June 30, 2025 and 2024, net assets with donor restrictions of \$4,084 and \$5,978, respectively, was restricted for the annual Hawaii Waterman Hall of Fame Awards Dinner.

The accompanying consolidated financial statements include prior year comparative information that is not in sufficient detail to constitute a complete presentation in accordance with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation and its affiliate's consolidated financial statements as of and for the year ended June 30, 2024, from which the information was derived.

Use of Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of changes in net assets during the reporting period. Actual results could differ from those estimates, it is reasonably possible that such estimates may change within the near term, and such differences could be material to the consolidated financial statements.

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation and its affiliate to credit risk include cash, contributions and other receivables, and investments in marketable securities. Cash on deposit with financial institutions was fully insured at June 30, 2025 and 2024. Management evaluates the credit standings of these financial institutions to ensure that such deposits are adequately safeguarded. Contributions and other receivables, which are determined to be collectible or uncollectible based on an assessment by management of the facts and circumstances related to the individual accounts, including historical experience, an assessment of current and future economic conditions, and a review of subsequent collections, have been adjusted for all known doubtful accounts (none at June 30, 2025 and 2024). Investments in marketable securities are fully-insured by federal and private insurance, as represented by the custodian. Future changes in market prices may make such investments less valuable.

Investments in Marketable Securities

Investments in marketable securities are stated at fair value. Net realized and unrealized gains (losses) are determined using the specific identification method.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2025
(With Prior Year Comparative Information)

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Expense Recognition

Revenue is recognized when the required goods or services are provided to customers. Amounts received prior to the provision of the goods and services are reported as deferred revenue. Revenue from performance obligations satisfied at a point in time consists of entry fees, table and ticket sales, auction income, and merchandise sales, which are included in special events; and other merchandise sales, which is included in other revenue and support. See Note F for a disaggregation of revenue.

For performance obligations related to entry fees, table and ticket sales, auction income, and merchandise sales, control transfers to the customer at a point in time. The Foundation and its affiliate transfer control and recognize revenue when the special events occur or when the merchandise and auction items are delivered to the customer. The Foundation and its affiliate do not have any significant financing components as payment is received before or at the special events and when the merchandise and auction items are delivered.

Expenses are recorded when the related liability is incurred. Advertising and promotion costs, amounting to \$62,360 and \$33,377 for the years ended June 30, 2025 and 2024, respectively, are expensed as incurred. The Foundation and its affiliate allocate their expenses on a functional basis among their various programs and supporting services based on estimates by management. Expenses that can be identified with a specific program or supporting service are charged directly to the program or supporting service. Other expenses that are common to several functions include coordinators, website development, office and administrative, supplies, printing and postage, and other expenses. These expenses are allocated based on management's estimates of time and effort of the coordinators.

Contributions

The Foundation and its affiliate recognize contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest are received. Conditional promises to give, which are those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. Support is considered to be available for unrestricted use unless restricted by the donor. Donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction is satisfied or expires, net assets with donor restrictions are released to net assets without donor restrictions.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2025
(With Prior Year Comparative Information)

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-kind Contributions

In-kind contributions of goods and services that meet the criteria for recognition are recognized by the Foundation and its affiliate as contributions at the estimated fair market value at the date of donation, and are recorded as expenses or assets in the same amount. Donated services are recognized as contributions if the services create or enhance nonfinancial assets, or require specialized skills that are performed by people with those skills and would otherwise be purchased by the Foundation and its affiliate.

During the year ended June 30, 2025, the Foundation and its affiliate received donated goods, donated services, and donated storage space amounting to \$111,032 (in special events – net and in contributions without donor restrictions), \$65,200 (in special events – net), and \$2,700 (in contributions without donor restrictions and office and administrative), respectively. During the year ended June 30, 2024, the Foundation and its affiliate received donated goods, donated services, and donated storage space amounting to \$120,741 (in special events – net), \$30,000 (in special events – net), and \$2,700 (in contributions without donor restrictions and office and administrative), respectively. The donated goods are valued based on an estimate of the retail value for either the exact or similar items. The donated services are valued based on an estimate of the fair market value for similar services or the amount that the donor would have charged for the services. The donated goods are recognized as special event contribution revenue and direct expenses based on their use. The donated storage space is valued based on the amount charged to the public for similar storage space. The donated storage space is allocated among program and supporting services based on management's estimate of its use. There were no donor-imposed restrictions associated with the donated goods and storage space.

A number of unpaid volunteers have made contributions of their time to the Foundation and its affiliate. The value of the volunteer time is not reflected in these consolidated financial statements because it does not meet the criteria for recognition.

Hawaii General Excise Tax

The State of Hawaii imposes a general excise tax of 4% on the gross receipts of the Foundation and its affiliate from certain special events and merchandise sales within Hawaii, plus an additional 0.5% on such gross receipts within the City and County of Honolulu. Hawaii general excise tax amounted to \$7,382 and \$9,861 for the years ended June 30, 2025 and 2024, respectively.

Income Taxes

The Foundation and its affiliate are exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. The Foundation is classified as a public charity under Section 509(a)(2), while its affiliate is classified as a supporting organization under Section 509(a)(3) of the U.S. Internal Revenue Code. Accordingly, qualifying contributions to the Foundation or its affiliate are tax deductible.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (continued)

U.S. GAAP requires uncertain tax positions to be recognized in the consolidated financial statements if they are more likely than not to fail upon regulatory examination. Management has evaluated the tax positions of the Foundation and its affiliate as of June 30, 2025 and 2024 and for the years then ended and determined that they had no uncertain tax positions required to be reported in accordance with U.S. GAAP. The Foundation and its affiliate are subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any open tax periods.

NOTE B – LIQUIDITY

The Foundation and its affiliate monitor liquidity required to meet their operating needs and other contractual commitments while also striving to maximize the investment returns on their available funds. The Foundation and its affiliate have various sources of liquidity available for use including cash, contributions and other receivables, and investments in marketable securities. In addition to financial assets available to meet general expenditures, the Foundation and its affiliate anticipate collecting sufficient revenue to cover general operating expenditures. Receivables have an implied time restriction but are expected to be collected within one year.

At June 30, 2025 and 2024, the Foundation and its affiliate's financial assets and the amounts of those assets that are readily available within one year of the consolidated statement of financial position date to meet general expenditures are as follows:

	<u>2025</u>	<u>2024</u>
Cash (including interest-bearing accounts)	\$ 273,423	\$ 273,014
Contributions and other receivables – net	5,005	3,430
Investments in marketable securities	<u>2,386,015</u>	<u>2,225,045</u>
Total financial assets	2,664,443	2,501,489
Net assets with donor restrictions	<u>(4,084)</u>	<u>(5,978)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$2,660,359</u>	<u>\$2,495,511</u>

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

NOTE C – INVESTMENTS IN MARKETABLE SECURITIES

Interest and dividend income consisted of the following for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$47,652	\$52,557
Investment fees	<u>(23,033)</u>	<u>(20,491)</u>
Interest and dividend income – net	<u>\$24,619</u>	<u>\$32,066</u>

Gains (losses) on investments in marketable securities consisted of the following for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Realized gains (losses)	\$ 48,390	\$ (45,071)
Unrealized gains	<u>144,392</u>	<u>252,791</u>
Net gains on investments in marketable securities	<u>\$192,782</u>	<u>\$207,720</u>

NOTE D – FAIR VALUE MEASUREMENTS

U.S. GAAP provides a hierarchy that prioritizes the inputs to valuation methodologies used to measure fair value. There are three levels of the fair value hierarchy. Level 1 inputs to the valuation methodologies consist of unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs are unobservable and significant to the fair value measurement. The fair value measurement level of an asset or liability within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation methodologies used need to maximize the use of observable inputs and minimize the use of unobservable inputs. 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. Furthermore, although the Foundation 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.

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

NOTE D – FAIR VALUE MEASUREMENTS (Continued)

At June 30, 2025 and 2024, the fair value measurements reportable by the Foundation consisted of common stock, mutual funds, and exchange traded funds valued at quoted market prices, and money market funds valued at stated value, for which Level 1 valuation inputs were required. Corporate bonds and government securities are valued at the discounted value of future cash flows for which Level 2 valuation inputs were required. There were no investments for which Level 3 valuation inputs were required.

The following sets forth by level, within the fair value hierarchy, the Foundation’s investments in marketable securities at fair value as of June 30, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stock	\$ 999,579	\$ -	\$ -	\$ 999,579
Mutual funds	599,422	-	-	599,422
Exchange traded funds	546,876	-	-	546,876
Corporate bonds	-	110,594	-	110,594
Government securities	-	109,058	-	109,058
Money market funds	<u>20,486</u>	<u>-</u>	<u>-</u>	<u>20,486</u>
 Total fair value of marketable securities	 <u>\$2,166,363</u>	 <u>\$219,652</u>	 <u>\$ -</u>	 <u>\$2,386,015</u>

The following sets forth by level, within the fair value hierarchy, the Foundation’s investments in marketable securities at fair value as of June 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stock	\$ 931,608	\$ -	\$ -	\$ 931,608
Mutual funds	609,988	-	-	609,988
Exchange traded funds	449,043	-	-	449,043
Corporate bonds	-	110,624	-	110,624
Government securities	-	61,100	-	61,100
Money market funds	<u>62,682</u>	<u>-</u>	<u>-</u>	<u>62,682</u>
 Total fair value of marketable securities	 <u>\$2,053,321</u>	 <u>\$171,724</u>	 <u>\$ -</u>	 <u>\$2,225,045</u>

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

NOTE E – BOARD DESIGNATED NET ASSETS

At June 30, 2025 and 2024, the board designated memorial funds and their primary purposes were as follows:

	<u>2025</u>	<u>2024</u>
Muriel Macfarlane Flanders Memorial Fund, <i>to perpetuate the Macfarlane Fourth of July Regatta</i>	\$ 318,057	\$ 317,937
Terrance McCarthy Memorial Fund, <i>to support Hawaii's top scholar athletes</i>	197,393	197,393
Tom "Daddy" Haine Memorial Fund, <i>to support the sport of volleyball in Hawaii</i>	89,994	89,274
Schwinn Family Fund, <i>to perpetuate Hawaiian Water Sports and to encourage athletes and and scholars who contribute to the growth and development of athletics in Hawaii</i>	76,850	76,850
Thomas M. Arnott Memorial Fund, <i>to support interscholastic canoe paddling in Hawaii</i>	54,135	54,135
Randy Carlson Fund, <i>in memory of Randy Carlson who loved teaching young people</i>	42,775	41,775
Kala Kukea Memorial Fund, <i>to honor one of Hawaii's top individuals in water sports</i>	32,918	32,528
Kirk Smith Memorial Fund, <i>to support water sports and the young scholar athletes of Hawaii</i>	25,725	25,725
John Cline Mann Memorial Fund, <i>to support the annual Cline Mann Paddleboard Race</i>	24,808	23,688
Dale P. Madden and The Madden Corporation Fund, <i>to provide scholarships to Hawaii's youth</i>	20,000	20,000
Henry Ayau Memorial Fund, <i>to honor this renowned athlete, businessman, sportsman, and citizen</i>	19,106	18,606
Great Aloha Run Community Fund, <i>to support scholarships for students exemplifying the volunteerism and community spirit of the Great Aloha Run</i>	15,100	15,100
David & Keanuenu Rochlen Fund, <i>to perpetuate Hawaiian water sports and encourage young athletes</i>	10,883	10,883
Hawaii Olympians Fund, <i>to support Hawaii's elite athletes in their quest to make the U.S. Olympic team in swimming, water polo, kayaking, or volleyball</i>	<u>250</u>	<u>250</u>
Total board designated net assets	<u>\$927,994</u>	<u>\$924,144</u>

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**For the Year Ended June 30, 2025
(With Prior Year Comparative Information)**

NOTE E – BOARD DESIGNATED NET ASSETS (Continued)

The Board of Directors of the Foundation designated a portion of the Foundation’s net assets without donor restrictions as Memorial Funds to honor individuals that exemplified the objectives of the Foundation. Such designations may also include funding for other programs supported by the Foundation and may be changed by the Board of Directors of the Foundation at any time.

NOTE F – DISAGGREGATION OF REVENUE

For the years ended June 30, 2025 and 2024, revenue from performance obligations satisfied at a point in time consisted of the following:

	<u>2025</u>	<u>2024</u>
Revenue from performance obligations satisfied at a point in time		
Entry fees	\$ 130,358	\$ 129,360
Table and ticket sales	62,183	84,480
Auction income	6,600	13,500
Merchandise sales	<u>2,722</u>	<u>1,945</u>
Total revenue from performance obligations satisfied at a point in time	<u>\$ 201,863</u>	<u>\$ 229,285</u>

NOTE G – SPECIAL EVENTS

Special events for the years ended June 30, 2025 and 2024 consisted of the following:

	<u>2025</u>	<u>2024</u>
OceanFest		
Contributions and sales (including in-kind contributions of direct expenses of \$106,568 and \$85,780 in 2025 and 2024, respectively)	\$ 388,177	\$ 455,765
Direct expenses (including in-kind contributions of direct expenses of \$106,568 and \$85,780 in 2025 and 2024, respectively)	<u>(416,151)</u>	<u>(405,069)</u>
OceanFest – net	<u>\$ (27,974)</u>	<u>\$ 50,696</u>

OUTRIGGER DUKE KAHANAMOKU FOUNDATION AND AFFILIATE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2025
(With Prior Year Comparative Information)

NOTE G – SPECIAL EVENTS (Continued)

	<u>2025</u>	<u>2024</u>
Hawaii Waterman Hall of Fame Awards Dinner		
Contributions and sales	\$ 135,000	\$ 175,511
In-kind contributions	62,463	57,230
Direct expenses	<u>(147,967)</u>	<u>(156,363)</u>
Hawaii Waterman Hall of Fame Awards Dinner – net	<u>49,496</u>	<u>76,378</u>
Duke's Night		
Contributions and sales	22,144	26,550
In-kind contributions	6,701	7,731
Direct expenses	<u>(6,701)</u>	<u>(7,731)</u>
Duke's Night – net	<u>22,144</u>	<u>26,550</u>
Other special events – net	<u>\$ 71,640</u>	<u>\$ 102,928</u>

NOTE H – CONTINGENCIES

The Foundation and its affiliate may be subject to legal proceedings, claims, or litigation arising in the ordinary course of business for which they may seek the advice of legal counsel. Management estimates that the cost to resolve such matters, if any, would not be material to the consolidated financial statements. However, it is reasonably possible that such estimates may change within the near term.

The Foundation and its affiliate operate in the State of Hawaii. Local, national, and international events can have severe, adverse effects on economic conditions in Hawaii. These consolidated financial statements do not include the adjustments that would result if the Foundation and its affiliate were to account for future losses or asset impairments, as the effects on the consolidated financial statements of the Foundation and its affiliate from such changes in economic conditions are not presently determinable.

NOTE I – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 24, 2026, which is the date the consolidated financial statements were available to be issued, and determined the Foundation and its affiliate did not have any subsequent events requiring adjustment to the consolidated financial statements or disclosure in the notes to the consolidated financial statements.