

KAMEHAMEHA SCHOOLS

REPORT ON FINANCIAL ACTIVITIES

JULY 1, 2009 - JUNE 30, 2010



As of June 30, 2010, the overall fair value of Kamehameha Schools' endowment was approximately \$7.8 billion. The endowment total return is reported at fair value and excludes non-investment related assets, such as educational, administrative, and agricultural and conservation assets.

For the fiscal year ended June 30, 2010, Kamehameha Schools spent approximately \$299 million on educational programs and educational support, with \$102 million spent on community-focused programs and \$129 million spent on campus-based programs. These financial resources enabled Kamehameha Schools to extend its educational reach to more Hawaiians through its education strategic plan, adopted in 2005 and based on the Kamehameha Schools Strategic Plan 2000-2015.

Fiscal year 2010 was the fifth year of the 10-year education strategic plan, and the number of children and families impacted by Kamehameha's campus and community programs increased by more than 2 percent, from approximately 44,400 learners to more than 45,400 learners. More than 13,400 parents and caregivers were provided training and support for families and caregivers of children in the prenatal to grade 12 community.

Prenatal to 8 years of age

Kamehameha Schools served more than 9,400 keiki ages 0-8 and their parents and caregivers through its KS center-based preschools, preschool scholarships, literacy instruction and various educational collaborations. That number included more than 1,500 students at 31 KS preschool sites across the state and nearly 4,000 students served through community collaborations. Nearly 1,900 Pauahi Keiki Scholarships were awarded totaling \$11.3 million.

Grades 4 through post-high

Kamehameha Schools served more than 17,100 learners through its enrichment, campus outreach and summer school programs such as the Explorations Series, Kamehameha Scholars, 'Ike Pono and Career & Post-High Counseling. More than 2,000 post-high scholarships were awarded totaling \$12.6 million and more than 3,600 students were supported with \$9.1 million in per-pupil funding and support to 17 of the Department of Education's 31 public charter schools. More than 1,850 non-campus learners were enrolled in campus-based summer programs.

Campus programs

Kamehameha Schools educated more than 5,370 learners, including graduating more than 650 seniors, at campus programs on Hawai'i, on Maui and at Kapālama. Orphan and indigent children comprised approximately 30 percent of students invited to campus programs and 25 percent of students enrolled during fiscal year 2010.

For more, including a copy of Kamehameha Schools' audited "Consolidated Financial Statements and Supplemental Schedules" for fiscal year 2010, please visit www.ksbe.edu/annualreports.

Consolidated Statement of Assets

June 30, 2010
(in thousands of dollars)

	COST OR ESTIMATED FAIR MARKET VALUE	
CASH AND EQUIVALENTS	\$54,512	
INVESTMENTS		
Marketable debt and equity securities		
Common and preferred stocks	\$699,650	
Fixed income	745,032	
Short-term investments and cash equivalents	126,408	
Mutual funds	239,781	1,810,871
Other investments		
Hedge funds	2,053,944	
Private equity funds	797,051	
Commingled funds	521,793	
Other	35,556	3,408,344
Amounts receivable for securities sold		123,991
RECEIVABLES, NET		
Tenant and tuition receivables	8,241	
Interest	11,889	
Trade	3,130	
Other	2,118	
Less: Allowance for doubtful accounts	(6,624)	18,754
PROPERTY AND EQUIPMENT, NET		
Educational property and equipment	489,179	
All other property and equipment	333,728	
Construction in progress	44,494	867,401
REAL ESTATE HELD FOR DEVELOPMENT AND SALE		24,409
DEFERRED CHARGES AND OTHER		113,082
TOTAL ASSETS		<u>\$6,421,364</u>

Schedule of Hawai'i Real Estate by Island and Zoning*

June 30, 2010
(in acres)

ISLAND	AREA IN ACRES	PERCENTAGE OF TOTAL
HAWAI'I		
Residential	999.2078	0.34
Apartment	105.7557	0.04
Commercial	173.1248	0.06
Industrial	25.9719	0.01
Agricultural	201,029.4457	67.97
Conservation	93,065.7966	31.46
Hotel and Resort	204.8936	0.07
Homeowner	155.0621	0.05
Total	295,759.2582	100.00
KAUA'I		
Agricultural	1,147.1820	9.78
Conservation	10,578.3470	90.22
Total	11,725.5290	100.00
MAUI		
Residential	175.1950	6.55
Agricultural	1,197.3970	44.79
Conservation	1,300.6360	48.66
Total	2,673.2280	100.00
MOLOKA'I		
Agricultural	3,392.0630	68.51
Conservation	1,559.3600	31.49
Total	4,951.4230	100.00
O'AHU		
Residential	2,371.2355	4.91
Commercial	870.7186	1.80
Industrial	258.8125	0.54
Agricultural	17,942.2650	37.17
Conservation	26,807.6580	55.54
Hotel and Resort	19.5111	0.04
Total	48,270.2007	100.00
SUMMARY		
Residential	3,545.6383	0.98
Apartment	105.7557	0.03
Commercial	1,043.8434	0.29
Industrial	284.7844	0.08
Agricultural	224,708.3527	61.84
Conservation	133,311.7976	36.68
Hotel and Resort	224.4047	0.06
Homeowner	155.0621	0.04
Total	363,379.6389	100.00

* Unaudited



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