NORTHWEST MARINE TRADE ASSOCIATION

NORTHWEST MARINE TRADE ASSOCIATION AND AFFILIATES

Consolidated Financial Statements

For the Years Ended June 30, 2026 and 2025

DRAFT

Table of Contents

	Page
Independent Auditor's Report	1 - 3
Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities and Changes in Net Assets	5
Consolidated Statement of Functional Expenses for the Year Ended June 30, 2026	6
Consolidated Statement of Functional Expenses for the Year Ended June 30, 2025	7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9 - 18
Supplementary Information:	
Schedule of Boat Shows Revenue and Expenses	19

DRAFT

Independent Auditor's Report

To the Board of Trustees
Northwest Marine Trade Association
Seattle, Washington

Opinion

We have audited the financial statements of Northwest Marine Trade Association and Affiliates (collectively, the Association), which comprise the consolidated statements of financial position as of June 30, 2026, and 2025, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

DRAFT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

DRAFT

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Boat Shows Revenue and Expenses on page 19 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Certified Public Accountants
DATE

DRAFT

NORTHWEST MARINE TRADE ASSSOCIATION

Consolidated Statements of Financial Position
June 30, 2026 and 2025

	2026	2025
Assets		
Current Assets:		
Cash and cash equivalents	$ 730,237	$ 473,419
Accounts receivable	36,355	41,413
Prepaid expenses and other current assets	32,131	40,666
Total Current Assets	**798,723**	**555,498**
Investments (Notes 2 and 3)	1,602,541	1,619,517
Operating right-of-use asset (Note 5)	116,385	154,022
Property and equipment, net (Note 4)	80,070	67,443
Total Assets	**$ 2,597,719**	**$ 2,396,480**
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued expenses	$ 116,361	$ 111,536
Operating lease liability - current portion (Note 5)	25,231	37,693
Deferred revenue	200,304	185,453
Total Current Liabilities	**341,896**	**334,682**
Operating long-term lease liability (Note 5)	98,568	123,799
Total Liabilities	**440,464**	**458,481**
Net Assets:		
Without donor restrictions-		
Undesignated	2,060,280	1,850,675
Board designated	96,975	87,324
Total Net Assets Without Donor Restrictions	**2,157,255**	**1,937,999**
Total Liabilities and Net Assets	**$ 2,597,719**	**$ 2,396,480**

DRAFT

See accompanying notes.

NORTHWEST MARINE TRADE ASSSOCIATION

Consolidated Statements of Activities and Changes in Net Assets
For the Years Ended June 30, 2026 and 2025

	2026	2025
Revenues:		
Boat shows	$ 3,500,037	$ 3,369,989
Dues and fees	324,019	328,669
Health trust participation fees	281,546	305,578
Meetings and other	138,324	147,351
Investment return, net (Note 2)	105,225	121,114
Showboat Handlers, LLC	61,929	66,691
Grow Boating Fund	59,903	58,910
Total Revenues	**4,470,983**	**4,398,302**
Program Expenses:		
Boat shows	2,911,671	2,899,223
Showboat Handlers, LLC	92,115	97,027
Total Program Expenses	**3,003,786**	**2,996,250**
Management and general	1,247,941	1,191,092
Total Expenses	**4,251,727**	**4,187,342**
Change in Net Assets Without Donor Restrictions	**219,256**	**210,960**
Net assets without donor restrictions, beginning of year	1,937,999	1,727,039
Net Assets Without Donor Restrictions, End of Year	**$ 2,157,255**	**$ 1,937,999**

DRAFT

See accompanying notes.

NORTHWEST MARINE TRADE ASSSOCIATION

Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2026

	Program Services				
	Boat Shows	Showboat Handlers, LLC	Total Program	Management and General	Total
Expenses:					
Salaries and benefits	$ 616,937	$ 42,931	$ 659,868	$ 616,937	$ 1,276,804
Contract and professional fees	564,935	14,049	578,984	215,871	794,855
Promotion	553,660		553,660	70,566	624,226
Rent	470,504		470,504	86,872	557,376
Site costs	154,367		154,367		154,367
Decorating	151,869		151,869		151,869
Exhibitor	127,278		127,278		127,278
Taxes and licenses	98,641	1,211	99,852	12,637	112,489
Other expenses	37,442	26,401	63,843	83,254	147,097
Office	16,474	276	16,750	58,422	75,172
Insurance	39,372		39,372	32,231	71,603
Repairs and maintenance	3,863	6,555	10,418	18,348	28,766
Member services	10,123		10,123	31,260	41,383
Merchant and bank fees	40,281	463	40,744		40,744
Depreciation	18,681		18,681	7,265	25,946
Travel and entertainment	7,244	229	7,473	11,488	18,961
Board and committees				2,791	2,791
Total Expenses	**$ 2,911,671**	**$ 92,115**	**$ 3,003,786**	**$ 1,247,941**	**$ 4,251,727**

DRAFT

See accompanying notes.

NORTHWEST MARINE TRADE ASSSOCIATION

Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services				
	Boat Shows	Showboat Handlers, LLC	Total Program	Management and General	Total
Expenses:					
Salaries and benefits	$ 596,362	$ 41,323	$ 637,685	$ 596,362	$ 1,234,047
Contract and professional fees	514,143	13,500	527,643	197,253	724,896
Promotion	571,913		571,913	55,469	627,382
Rent	492,762		492,762	73,636	566,398
Other expenses	44,543	24,065	68,608	40,609	109,217
Site costs	161,923		161,923		161,923
Decorating	148,762		148,762		148,762
Exhibitor	139,878		139,878		139,878
Taxes and licenses	98,879	717	99,596	13,782	113,378
Office	17,581	566	18,147	56,202	74,349
Insurance	40,902		40,902	31,342	72,244
Member services	7,858		7,858	54,118	61,976
Repairs and maintenance	5,123	16,263	21,386	48,398	69,784
Merchant and bank fees	35,154	593	35,747		35,747
Travel and entertainment	7,364		7,364	13,647	21,011
Depreciation	16,076		16,076	6,252	22,328
Board and committees				4,022	4,022
Total Expenses	**$ 2,899,223**	**$ 97,027**	**$ 2,996,250**	**$ 1,191,092**	**$ 4,187,342**

DRAFT

See accompanying notes.

NORTHWEST MARINE TRADE ASSSOCIATION

Consolidated Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	2026	2025
Cash Flows From Operating Activities:		
Change in net assets	$ 219,256	$ 210,960
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities-		
Depreciation	25,946	22,328
Unrealized and realized gains	(55,135)	(64,672)
Changes in assets and liabilities:		
Accounts receivable	5,058	6,589
Prepaid expenses and other current assets	8,535	(20,646)
Accounts payable and accrued expenses	4,825	(34,040)
Operating lease liabilities, net of right-of-use assets	(56)	1,158
Deferred revenue	14,851	(22,553)
Net Cash Provided by Operating Activities	**223,280**	**99,124**
Cash Flows From Investing Activities:		
Purchases of investments	(136,440)	(40,617)
Proceeds from sale of investments	208,551	54,293
Purchases of property and equipment	(38,573)	(6,282)
Net Cash Provided By Investing Activities	**33,538**	**7,394**
Net Change in Cash and Cash Equivalents	**256,818**	**106,518**
Cash and cash equivalents balance, beginning of year	473,419	366,901
Cash and Cash Equivalents Balance, End of Year	**$ 730,237**	**$ 473,419**

DRAFT

See accompanying notes.

NORTHWEST MARINE TRADE ASSSOCIATION

Notes to Consolidated Financial Statements
For the Years Ended June 30, 2026 and 2025

Note 1 - Nature of Operations and Significant Accounting Policies

Association - Northwest Marine Trade Association (NMTA) was organized as a trade association in 1947. NMTA sponsors and produces boat shows, promotes the boating and marine industry, and promotes local, State, and Federal legislation beneficial to the industry and the boating public. NMTA is affiliated with the NMTA-PAC (the PAC), a nonpartisan political action committee whose purpose is to contribute to Washington State political campaigns.

In 2013, NMTA created the NMTA Health Trust (the Health Trust) to provide high quality health insurance benefits to its members. The Health Trust is a separate entity with its own governing documents, board, bank accounts and tax-exempt status. The Health Trust is a fully insured Association Health Plan organized under and conforming with Washington law. NMTA screens for, determines, and provides the marine commonality required for this health trust to function. Regence and Kaiser Permanente are the insurance carriers that provide coverage for Health Trust participants, and EPK Associates is the Health Trust's third-party administrator.

In 2019, NMTA created Showboat Handlers, LLC (SBH), a single-member limited liability company, to manage moving all boats and watercraft in and out of the Seattle Boat Show location. SBH is a separate entity with its own governing documents, management team, and bank accounts. See Note 6 for further disclosure and financial results.

Principles of Consolidation - The consolidated financial statements include the accounts of NMTA, the PAC, and SBH (collectively, the Association). Material intercompany transactions and balances have been eliminated upon consolidation.

Basis of Presentation - The Association maintains its accounting records using the accrual method of accounting, whereby revenues are recorded when earned and expenses when incurred. Under accounting principles generally accepted in the United States of America (U.S. GAAP), the Association is required to report financial information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As of June 20, 2025, the Board designated $87,324 to be set aside and spent for the Grow Boating Fund. During the year ended June 30, 2026, approximately $9,651 of the amount designated in the current year was over spent and the Board approved to increase the amount available for the subsequent fiscal year bringing the year-end balance of the accumulated board-designated Grow Boating Fund to $96,975.

Operating Leases - The Association determines if an arrangement contains a lease at inception. Operating leases are included in right-of-use (ROU) assets and lease liabilities in the consolidated statement of financial position. ROU assets represent a right to use an underlying asset for the lease term and operating lease liabilities represent the Association's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Association's leases do not provide an implicit rate of return; thus, the Association uses the risk-free discount rate, determined using a period comparable with that of the lease term from the later of the lease commencement date or implementation date. The ROU asset also includes prepaid lease payments and unamortized initial direct costs and excludes lease incentives. The Association has lease agreements with lease and non-lease components which are accounted for as a single lease component. The lease terms include options to extend or terminate the lease when it is reasonably certain that the Association will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. A ROU asset and operating lease liability is not recognized for leases with an initial term of 12 months or less or for non-facilities leases, as aggregate lease payments are less than 1% of total assets.

DRAFT

Note 1 - Continued

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Federal Income Taxes - The Internal Revenue Service (IRS) has determined that the Association is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code (IRC). Accordingly, no provision for federal income tax has been provided. The PAC is subject to tax on its net investment income under Section 527 of the IRC. No tax was due on net investment income for the years ended June 30, 2026 and 2025. The Association files income tax returns with the U.S. government. The Association is subject to income tax examinations for the current year and certain prior years based on the applicable laws and regulations. As a single-member LLC, SBH is not subject to federal income tax as it is considered a disregarded entity by the IRS.

Cash and Cash Equivalents - The Association considers investments with an initial maturity of 90 days or less to be cash equivalents, except for investments with these characteristics held in the Association's investment portfolio. The Association at times may maintain cash and cash equivalents held in a financial institution in excess of Federal Deposit Insurance Corporation limits.

Accounts Receivable - Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a provision for credit losses based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the provision for credit losses and a credit to accounts receivable. There was no provision for credit losses for the years ended June 30, 2026 and 2025.

Investments - Investments in securities are recorded at fair value. The fair value of investments in securities traded on national securities exchanges is valued at the closing price on the last business day of the fiscal year; securities traded on the over-the-counter markets are valued at the last reported bid price. Unrealized and realized gains and losses on investments are reported in the consolidated statements of activities and changes in net assets. Securities are generally held in custodial investment accounts administered by certain financial institutions.

Property and Equipment - Property and equipment are stated at cost if purchased or fair value if donated. The Association capitalizes expenditures with a cost in excess of $1,000 with useful lives greater than one year. Depreciation is computed on a straight-line basis, over the following useful lives:

Boat show equipment	5 years
Computers	5 years
Website development	5 years
Furniture and equipment	5 - 10 years
Leasehold improvements (lesser of life of asset and lease term)	5 - 8 years

DRAFT

Note 1 - Continued

Revenue Recognition -

Dues and Fees - Membership dues and fees are billed in April or May for the subsequent fiscal year beginning July 1, with option for refund. Revenues are recognized over time as the Association meets its performance obligations.

Health Trust Participation Fees - The Association collects a participation access fee (PAF) from its members that use the Health Trust. Starting January 1, 2024, the NMTA Health Trust's third-party administrator EPK/Capital Benefits includes a 2.25% PAF in the monthly premiums they invoice to NMTA Health Trust participants. The 1st day of the following month, Capital Benefits wires those funds to the NMTA operating account. Revenues are recognized over time as the Association meets its performance obligations.

Meetings and Other - The Association charges for conferences and seminars and recognizes revenues when the performance obligation or events take place at a point in time.

Boat Shows - The Association recognizes revenues from its boat shows at the time of the exhibition. Cash receipts from boat show exhibitions and dues are recorded as deferred revenue and recognized in the period in which they are earned over time.

Advertising Costs - The Association expenses the cost of advertising as it is incurred. Total advertising costs for the years ended June 30, 2026 and 2025, were $624,226 and $627,382, respectively.

Concentration - Due to the nature of its operations, the Association is largely dependent on businesses in the boating and marine industry for its membership fees. Further, the Association received 80% and 78% of its revenues in 2026 and 2025, respectively, from its annual boat shows.

Functional Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, salaries, benefits, and tax and occupancy expenses have been allocated based on the time estimated relative to amount of staff time spent on those functions. Depreciation expense has been allocated based on the functional use of the related asset. All other expenses are allocated to program services if they relate to a specific program, otherwise they are allocated to management and general.

Subsequent Events - The Association has evaluated subsequent events with respect to the financial statements for the year ended June 30, 2026, through DATE, the date the financial statements were available to be issued.

DRAFT

Note 2 - Investments

Investments were composed of the following at June 30:

	2026	2025
Money market	$ 6,184	$ 156,607
Certificates of deposit	154,630	
Common stock	584,848	586,289
Mutual funds	856,879	876,621
Total Investments	**$ 1,602,541**	**$ 1,619,517**

Investment return was as follows for the years ended June 30:

	2026	2025
Dividends and interest	$ 50,090	$ 56,442
Net realized and unrealized gains	55,135	64,672
Total Investment Return, Net	**$ 105,225**	**$ 121,114**

Note 3 - Fair Value of Financial Instruments and Measurements

U.S. GAAP defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements, U.S. GAAP uses a fair value hierarchy that prioritizes the inputs to valuation approaches into three broad levels. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Valuation Techniques - Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs were primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2026 and 2025.

Money Market Funds - Valued at cost plus accrued interest, which approximates fair value.

Certificates of Deposit - Valued at pricing models based on credit quality, time to maturity, stated interest rates, and market rate assumptions.

Common Stock - Valued at the closing price reported on the active market on which the security is traded.

DRAFT

Note 3 - Continued

Mutual Funds - Valued at quoted market prices in active markets, which represent the net asset value of shares held by the Association at year end.

Fair Values Measured on a Recurring Basis - Fair values of assets and liabilities measured on a recurring basis at June 30 were as follows:

	Fair Value Measurements at June 30, 2026			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 6,184	$ -	$ -	$ 6,184
Certificates of deposit	154,630			154,630
Common stock	584,848			584,848
Mutual funds-				
Fixed income	294,312			294,312
Bonds	562,567			562,567
Total mutual funds	856,879			856,879
Total Investments	**$ 1,602,541**	**$ -**	**$ -**	**$ 1,602,541**

DRAFT

Note 3 - Continued

	Fair Value Measurements at June 30, 2025			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 156,607	$ -	$ -	$ 156,607
Common stock	586,289			586,289
Mutual funds-				
Fixed income	359,845			359,845
Bonds	516,776			516,776
Total mutual funds	876,621			876,621
Total Investments	**$ 1,619,517**	**$ -**	**$ -**	**$ 1,619,517**

Note 4 - Property and Equipment

Property and equipment as of June 30 was as follows:

	2026	2025
Boat show equipment	$ 225,147	$ 225,147
Computers	89,432	82,392
Website development	107,323	75,789
Furniture and equipment	23,129	23,129
Leasehold improvements	36,289	36,289
Total Cost	**481,320**	**442,746**
Less accumulated depreciation	(401,250)	(375,303)
Net Book Value	**$ 80,070**	**$ 67,443**

DRAFT

Note 5 - Operating Leases

The Association has a noncancelable operating lease for its office space through May 31, 2029, with an annual increase in monthly payments of 3%.

The components of lease expense for the years ended June 30 were as follows:

	2026	2025
Operating lease expense	$ 41,784	$ 41,784
Short-term lease expense	45,088	31,852
Total Leasing Expenses	**$ 86,872**	**$ 73,636**

Future minimum payments required under noncancelable lease agreements are as follows:

For the Year Ending June 30,	
2027	$ 43,092
2028	44,390
2029	41,800
Total undiscounted cash flows	129,282
Less present value discount	(5,483)
Total Lease Liabilities	**$ 123,799**

Supplemental cash flow information related to leases as of June 30, 2026 and 2025 was as follows:

Operating Leases:		
Cash paid for amounts included in measurement of lease liabilities	$ 41,840	$ 40,625
Weighted average remaining lease term	2.9 years	3.9 years
Weighted average discount rate	2.9%	2.9%

Exhibition Space - On June 10, 2019, the Association entered into a revocable limited license operating lease through February 2029 for the rental of an exhibition facility used for the Seattle Boat Show. The license granted under this agreement is for each annual boat show beginning on the date and time of move in and shall terminate on the date and time of move out which for all future events shall be determined by the lessor in its reasonable discretion.

DRAFT

Note 6 - Showboat Handlers, LLC

In 2019, SBH was created to provide boat handling services for the Seattle Boat Show. The Association is the sole member of SBH. The year end balance and current year activity, including eliminations, has been included in the Association and affiliates consolidated financial statements. The statements of financial position for SBH for the years ended June 30 were as follows:

	2026	2025
Assets		
Current Assets:		
Cash and cash equivalents	$ 65,176	$ 50,418
Total Current Assets	**65,176**	**50,418**
Boat show equipment	90,000	90,000
Accumulated depreciation	(90,000)	(90,000)
Property and equipment, net		
Total Assets	**$ 65,176**	**$ 50,418**
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued expenses	$ 6,518	$ 7,574
Total Current Liabilities	**6,518**	**7,574**
Net assets without donor restrictions	58,658	42,844
Total Liabilities and Net Assets	**$ 65,176**	**$ 50,418**

DRAFT

Note 6 - Continued

SBH's statement of activities and changes in net assets for the years ended June 30 were as follows:

	2026	2025
Revenues:		
Boat handling	$ 61,929	$ 66,691
Management fee	46,000	45,000
Total Revenues	**107,929**	**111,691**
Expenses:		
Salaries and benefits	37,700	36,200
Cost of goods sold - labor	19,231	18,623
Professional fees	49	
Travel	2,020	
Taxes and licenses	1,211	717
Merchant and bank fees	463	593
Snacks and drinks for crew	491	837
Hardware supplies	244	566
Propane refill	122	235
Fuel	255	243
Repairs and maintenance	6,555	16,263
Equipment rental	23,757	22,750
Parking	17	
Total Expenses	**92,115**	**97,027**
Change in Net Assets Without Restriction	**15,814**	**14,664**
Net assets without donor restrictions, beginning of year	42,844	28,180
Net Assets Without Donor Restrictions, End of Year	**$ 58,658**	**$ 42,844**

DRAFT

Note 7 - Retirement Plan

The Association sponsors a defined contribution plan qualified under Section 401(k) of the IRC. Employees are eligible for participation after they have reached the age of 20 years old and have completed three months of service. Employees can defer a percentage of their annual salary, not to exceed the maximum amount allowable by law. The Association contributes a nondiscretionary safe harbor amount of 3% to participants and up to a 3% additional matching contribution on a semi-monthly basis. Employer matching amounts were $58,229 and $57,714 for the years ended June 30, 2026 and 2025, respectively.

Note 8 - Net Assets Without Donor Restrictions

The Board of Directors has established a designated fund with the objective of using it for the Grow Boating Program and any unspent funds in one year will be used in subsequent years.

Note 9 - Liquidity and Availability of Financial Assets

Liquidity - As part of the Association's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due within the coming year.

Availability of Financial Assets - Financial assets available for general expenditure without restrictions limiting their use, within one year of the consolidated statements of financial position date were as follows at June 30:

	2026	2025
Cash and cash equivalents	$ 730,237	$ 473,419
Accounts receivable	36,355	41,413
Investments	1,602,541	1,619,517
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	**$ 2,369,133**	**$ 2,134,349**

Note 10 - Commitments

In 2018, the Association entered into a four-year agreement with an agency to manage creative messaging for the Seattle Boat Show. The four-year agreement has a total cost of $202,200, which equates to $50,550 per year. On November 9, 2020, the agreement was extended for an additional two years to 2023 at a rate of $55,000 per year. The Association entered into a three-year 2024 - 2026 agreement for $55,000 per year. As of June 30, 2026 a new three-year 2026 - 2029 agreement was signed for $57,750 in 2027 with 5 percent rate increases through 2029 for a total of $182,000 which is the remaining commitment as of year-end.

DRAFT

SUPPLEMENTARY INFORMATION

DRAFT

NORTHWEST MARINE TRADE ASSSOCIATION

Schedule of Boat Shows Revenue and Expenses
For the Years Ended June 30, 2026 and 2025

	2026	2025
Boat Shows Revenue:		
Space rental	$ 2,767,480	$ 2,639,472
Admissions	409,320	380,993
Sponsorships and advertising	264,663	291,290
Parking	58,574	58,234
Total Boat Shows Revenue	**3,500,037**	**3,369,989**
Boat Shows Expenses:		
Salaries and benefits	616,937	596,362
Contract and professional fees	564,935	514,143
Promotion	553,660	571,913
Rent	470,504	492,762
Site costs	154,367	161,923
Decorating	151,869	148,762
Exhibitor	127,278	139,878
Office	16,474	17,581
Taxes and licenses	98,641	98,879
Other expenses	37,442	44,543
Member services	10,123	7,858
Insurance	39,372	40,902
Repairs and maintenance	3,863	5,123
Travel and entertainment	7,244	7,364
Merchant and bank fees	40,281	35,154
Depreciation	18,681	16,076
Total Boat Shows Expenses	**2,911,671**	**2,899,223**
Excess of Boat Shows Revenue Over Expenses	**$ 588,366**	**$ 470,766**

DRAFT

See independent auditor's report.