

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

# SYLVIA EARLE ALLIANCE DBA MISSION BLUE

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Sylvia Earle Alliance dba Mission Blue

### **Opinion**

We have audited the accompanying financial statements of Sylvia Earle Alliance dba Mission Blue (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Sylvia Earle Alliance dba Mission Blue as of December 31, 2024 and 2023, 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. 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 Sylvia Earle Alliance dba Mission Blue 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 Sylvia Earle Alliance dba Mission Blue's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

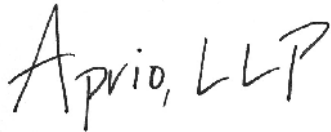
### **Auditors' Responsibilities for the Audit of the Financial Statements**

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 generally accepted auditing standards, 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 Sylvia Earle Alliance dba Mission Blue'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 Sylvia Earle Alliance dba Mission Blue'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.

A handwritten signature in black ink that reads "Aprivo, LLP". The signature is written in a cursive, slightly slanted style.

Walnut Creek, California

November 14, 2025

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31,**

ASSETS

	2024	2023
<u>Current assets</u>		
Cash and cash equivalents	\$ 2,255,922	\$ 2,074,391
Certificate of deposit	200,390	200,370
Investments	67,387	59,120
Contributions receivable	510,593	149,885
Accounts receivable	60,258	-
Prepays	30,889	21,572
Total current assets	3,125,439	2,505,338
 <u>Property and equipment, net</u>	 12,085	 9,252
<u>Other assets</u>		
Contributions receivable, long term	146,463	-
Security Deposit	1,600	1,600
Total assets	\$ 3,285,587	\$ 2,516,190

LIABILITIES AND NET ASSETS

<u>Current liabilities</u>		
Accounts payable	\$ 346,723	\$ 90,733
Accrued expenses	37,805	25,780
Total liabilities	384,528	116,513
 <u>Net assets</u>		
Without donor restrictions	1,938,530	2,037,448
With donor restrictions	962,529	362,229
Total net assets	2,901,059	2,399,677
Total liabilities and net assets	\$ 3,285,587	\$ 2,516,190

See independent auditors' report and accompanying notes.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Revenues and support</u>			
Grants	\$ 246,000	\$ 2,149,068	\$ 2,395,068
Contributions	1,155,798	230,800	1,386,598
Program income	82,550	-	82,550
Investment return	8,756	-	8,756
Net assets released from restrictions	<u>1,779,568</u>	<u>(1,779,568)</u>	<u>-</u>
Total revenues and support	<u>3,272,672</u>	<u>600,300</u>	<u>3,872,972</u>
<u>Expenses</u>			
Program	2,550,147	-	2,550,147
Supporting activities:			
Fundraising	503,260	-	503,260
Operations	<u>318,183</u>	<u>-</u>	<u>318,183</u>
Total expenses	<u>3,371,590</u>	<u>-</u>	<u>3,371,590</u>
Change in net assets	(98,918)	600,300	501,382
Net assets, beginning of year	<u>2,037,448</u>	<u>362,229</u>	<u>2,399,677</u>
Net assets, end of year	<u>\$ 1,938,530</u>	<u>\$ 962,529</u>	<u>\$ 2,901,059</u>

See independent auditors' report and accompanying notes.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Revenues and support</u>			
Grants	\$ -	\$ 911,800	\$ 911,800
Contributions	831,890	-	831,890
Program income	8,710	-	8,710
Investment return	20,712	-	20,712
Net assets released from restrictions	<u>2,549,571</u>	<u>(2,549,571)</u>	<u>-</u>
Total revenues and support	<u>3,410,883</u>	<u>(1,637,771)</u>	<u>1,773,112</u>
<u>Expenses</u>			
Program	2,495,654	-	2,495,654
Supporting activities:			
Fundraising	480,477	-	480,477
Operations	<u>401,704</u>	<u>-</u>	<u>401,704</u>
Total expenses	<u>3,377,835</u>	<u>-</u>	<u>3,377,835</u>
Change in net assets	33,048	(1,637,771)	(1,604,723)
Net assets, beginning of year	<u>2,004,400</u>	<u>2,000,000</u>	<u>4,004,400</u>
Net assets, end of year	<u>\$ 2,037,448</u>	<u>\$ 362,229</u>	<u>\$ 2,399,677</u>

See independent auditors' report and accompanying notes.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Program Services				Supporting Activities			
	Outreach and Education	Hope Spots/ Community Engagement	Policy	Science	Total	Fundraising	Operations	Total
Personnel costs								
Salaries	\$ 53,188	\$ 231,223	\$ 189,225	\$ 194,228	\$ 667,864	\$ 204,191	\$ 130,599	\$ 1,002,654
Payroll taxes	4,345	10,987	15,068	8,859	39,259	15,930	10,962	66,151
Benefits	1,434	23,155	4,093	4,400	33,082	6,728	24,179	63,989
Total personnel costs	<u>58,967</u>	<u>265,365</u>	<u>208,386</u>	<u>207,487</u>	<u>740,205</u>	<u>226,849</u>	<u>165,740</u>	<u>1,132,794</u>
Non-personnel costs								
Outgoing contributions	185,000	442,578	86,848	133,340	847,766	-	-	847,766
Travel	73,984	98,655	162,866	90,857	426,362	52,730	4,885	483,977
Contract services (MB staff)	225,047	3,878	51,703	19,632	300,260	54,105	47,373	401,738
External contractor services	35,166	21,836	9,907	64,142	131,051	130,848	30,928	292,827
Equipment, supplies and software	11,691	3,762	5,231	3,136	23,820	919	16,029	40,768
Meals	4,041	5,451	14,001	4,609	28,102	5,802	1,686	35,590
Conferences, conventions and meetings	1,843	2,503	1,843	3,424	9,613	21,776	577	31,966
Marketing and promotions	10,780	778	564	72	12,194	1,297	518	14,009
Rent and utilities	445	445	445	445	1,780	-	16,023	17,803
Telecommunications	1,928	4,866	1,928	2,171	10,893	765	5,106	16,764
Office expenses	602	784	777	617	2,780	770	3,026	6,576
Bank/paypal & currency fees	32	152	80	571	835	224	712	1,771
Web services	6,763	-	-	-	6,763	-	-	6,763
Insurance	620	620	821	620	2,681	-	19,833	22,514
Depreciation	-	-	-	-	-	-	3,407	3,407
Postage	689	406	556	416	2,067	-	758	2,825
Books, subscriptions and referrals	418	419	656	510	2,003	7,175	82	9,260
Equipment rental and maintenance	-	778	-	-	778	-	-	778
Membership	42	42	42	68	194	-	1,500	1,694
Total non-personnel costs	<u>559,091</u>	<u>587,953</u>	<u>338,268</u>	<u>324,630</u>	<u>1,809,942</u>	<u>276,411</u>	<u>152,443</u>	<u>2,238,796</u>
Total	<u>\$ 618,058</u>	<u>\$ 853,318</u>	<u>\$ 546,654</u>	<u>\$ 532,117</u>	<u>\$ 2,550,147</u>	<u>\$ 503,260</u>	<u>\$ 318,183</u>	<u>\$ 3,371,590</u>

See independent auditors' report and accompanying notes

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Program Services					Supporting Activities			
	Expeditions	Outreach and Education	Hope Spots/ Community Engagement	Policy	Science	Total	Fundraising	Operations	Total
<b>Personnel costs</b>									
Salaries	\$ 5,359	\$ 15,156	\$ 173,023	\$ 222,980	\$ 73,507	\$ 490,025	\$ 245,636	\$ 133,125	\$ 868,786
Payroll taxes	121	1,147	8,339	14,026	1,589	25,222	17,712	11,455	54,389
Benefits	59	559	13,578	2,973	1,379	18,548	331	18,788	37,667
<b>Total personnel costs</b>	<b>5,539</b>	<b>16,862</b>	<b>194,940</b>	<b>239,979</b>	<b>76,475</b>	<b>533,795</b>	<b>263,679</b>	<b>163,368</b>	<b>960,842</b>
<b>Non-personnel costs</b>									
Expedition expenses	21	195	193	240	29,057	29,706	4,231	-	33,937
Travel	37,900	49,959	64,180	150,727	106,326	409,092	95,933	34,587	539,612
Contract services (MB staff)	13,559	319,914	28,527	11,156	10,219	383,375	54,699	18,387	456,461
External contractor services	7,880	35,892	29,590	28,407	12,418	114,187	34,265	128,751	277,203
Outgoing contributions	83	200,092	310,320	326,617	85,662	922,774	125	147	923,046
Marketing - Thane	224	224	224	224	256	1,152	-	-	1,152
Equipment, supplies and software	1,081	10,772	1,668	6,102	1,626	21,249	4,937	14,993	41,179
Marketing and promotions	137	13,711	312	360	216	14,736	1,926	3,760	20,422
Rent and utilities	44	414	411	512	209	1,590	-	14,305	15,895
Telecommunications	1,415	1,521	2,825	3,362	1,681	10,804	733	2,932	14,469
Insurance	9	88	87	834	44	1,062	-	3,044	4,106
Meals	1,170	1,705	2,620	11,984	4,883	22,362	6,717	1,989	31,068
Bank/paypal & currency fees	4	91	4,176	275	514	5,060	279	911	6,250
Equipment rental and maintenance	-	144	-	-	-	144	876	-	1,020
Conferences, conventions and meetings	60	549	10,372	4,992	538	16,511	8,534	5,344	30,389
Office expenses	136	522	416	447	559	2,080	3,049	4,656	9,785
Depreciation	-	-	-	-	-	-	-	3,390	3,390
Books, subscriptions and referrals	117	130	130	134	322	833	337	-	1,170
Postage	7	32	465	253	28	785	-	973	1,758
Printing	1	12	12	15	72	112	157	167	436
Web services	-	4,245	-	-	-	4,245	-	-	4,245
<b>Total non-personnel costs</b>	<b>63,848</b>	<b>640,212</b>	<b>456,528</b>	<b>546,641</b>	<b>254,630</b>	<b>1,961,859</b>	<b>216,798</b>	<b>238,336</b>	<b>2,416,993</b>
<b>Total</b>	<b>\$ 69,387</b>	<b>\$ 657,074</b>	<b>\$ 651,468</b>	<b>\$ 786,620</b>	<b>\$ 331,105</b>	<b>\$ 2,495,654</b>	<b>\$ 480,477</b>	<b>\$ 401,704</b>	<b>\$ 3,377,835</b>

See independent auditors' report and accompanying notes

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
<u>Cash flows from operating activities</u>		
Net income (loss)	\$ <u>501,382</u>	<u>(1,604,723)</u>
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Depreciation	3,407	3,390
Unrealized gains/(losses)	(7,667)	(20,424)
(Increase) decrease in assets:		
Certificates of Deposit	(20)	-
Accounts receivable	(567,429)	(24,184)
Other receivables	-	18,195
Prepays	(9,317)	(21,572)
Increase (decrease) in liabilities:		
Accounts payable	255,990	50,020
Accrued expenses	<u>12,025</u>	<u>24,373</u>
Total adjustments	<u>(313,011)</u>	<u>29,798</u>
Net cash provided by (used in) operating activities	<u>188,371</u>	<u>(1,574,925)</u>
<u>Cash flows from investing activities</u>		
Purchase of investments	(600)	(278)
Purchases of property and equipment	<u>(6,240)</u>	<u>(1,782)</u>
Net cash used in investing activities	<u>(6,840)</u>	<u>(2,060)</u>
Net increase (decrease) in cash	181,531	(1,576,985)
Cash and cash equivalents, beginning of the year	<u>2,074,391</u>	<u>3,651,376</u>
Cash and cash equivalents, ending of the year	<u>\$ 2,255,922</u>	<u>\$ 2,074,391</u>

See independent auditors' report and accompanying notes.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**Note 1**

**Nature of Organization**

Organization:

Sylvia Earle Alliance dba Mission Blue (the Organization) is a nonprofit public benefit corporation formed in 2008 to inspire action to explore and protect the ocean.

The specific purposes of this corporation are to explore and care for the ocean by advancing public awareness of the ocean's importance as Earth's life support system, fostering new technologies, furthering scientific knowledge of ocean systems by igniting public support for a network of marine protected areas--Hope Spots--large enough to save and restore the ocean. The Organization's primary source of income and support is from foundation, corporate and individual contributions.

Mission Blue has invested in expeditions and infrastructure to designate and support these areas. Additionally, the Organization has leveraged digital and social media to realize Dr. Sylvia Earle's vision and motivate greater action in support of the ocean and to empower communities worldwide with a global platform to share. This is accomplished through a variety of program services such as:

- Expeditions - Mission Blue conducts expeditions to explore and document Hope Spots, raising global awareness and building support for marine protected areas through partnerships with local communities and stakeholders.
- Outreach and education - Mission Blue raises awareness about ocean conservation through global media, public speaking, online engagement, and strategic partnerships, reaching millions and growing a worldwide community of supporters.
- Hope spots/community engagement - Mission Blue supports communities in advancing ocean conservation by expanding the global network of Hope Spots and providing a platform to highlight local efforts, with scientific oversight guiding the designation process.
- Policy - Mission Blue's Policy Program advances conservation goals by engaging with governments and stakeholders to support protection efforts across the global Hope Spots network.
- Science - Mission Blue's Science Program, led by Dr. Sylvia Earle and Dr. Tessa Hempson, develops a digital mapping hub to integrate ocean science data with local insights, helping communities and governments assess ocean health and work toward marine area protection.

**Note 2**

**Summary of Significant Accounting Policies**

Basis of Accounting:

The financial statements of the Organization are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**Note 2**

**Summary of Significant Accounting Policies (Continued)**

Financial Statement Presentation:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.
- Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions may be temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents:

The Organization considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents.

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits:

The Organization maintains cash balances at one commercial bank, these balances can exceed the FDIC insured deposit limit of \$250,000 per financial institution. At December 31, 2024 and 2023, the Organization's cash balances held at the commercial bank exceeded the FDIC limit by approximately \$2,008,158 and \$1,829,111, respectively. The Organization has not experienced any losses through the date when the financial statements were available to be issued.

Certificate of Deposit:

At December 31, 2024 and 2023, the Organization held a certificate of deposit in the amount of \$200,390 and \$200,370, respectively, with an interest rate of 0.01%. The certificate was originally opened on September 29, 2016, and matures on September 29th, 2025. It will not be renewed.

The certificate of deposit is held at a federally insured financial institution and is fully insured by the Federal Deposit Insurance Corporation (FDIC). It is recorded at cost plus accrued interest.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**Note 2**

**Summary of Significant Accounting Policies (Continued)**

Revenue Recognition:

*Contributions and Other Revenue Not Subject to ASC 606*

**Grants and Contributions:** The Organization recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions with donor-imposed restrictions are recorded as revenue with donor restrictions. When donor restrictions are subsequently met, amounts are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts on multi-year pledges is recorded as additional contribution revenue and as either with or without donor restrictions based on any donor-imposed restrictions, if any, on the related contributions.

Conditional promises to give, that is, 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 substantially met. Consequently, at December 31, 2024 and 2023, no contributions exist which have not been recognized in the accompanying statements of activities because the conditions on which they depend have not yet been met.

*Exchange Transactions*

In accordance with FASB Topic 606, *Revenue from Contracts with Customers*, or ASC 606, the Organization recognizes revenue from exchange transactions when a customer obtains control of promised goods or services, in an amount that reflects the consideration the Organization expects to receive in exchange for those goods or services. To determine revenue recognition, the Organization performs the following five steps:

- Identification of the contract, or contracts, with a customer (Step 1)
- Identification of the performance obligation(s) in the contract (Step 2)
- Determination of the transaction price (Step 3)
- Allocation of the transaction price to the performance obligation(s) in the contract (Step 4)
- Recognition of revenue when or as the Organization satisfies the performance obligations (Step 5)

**Speaker and consulting services:** The Organization receives fees for professional speaking engagements and consulting services provided to other organizations. Revenue from speaking engagements is recognized at a point in time when the presentation or appearance occurs, as this represents satisfaction of the performance obligation. Consulting revenue is recognized over time as the related services are performed. Payment is typically due upon receipt of invoice, and amounts billed in advance of service delivery are recorded as deferred revenue until the related services are performed.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**Note 2**  
**Summary of Significant Accounting Policies (Continued)**

Accounts Receivable:

Accounts receivable consist primarily of amounts due to the Organization from exchange transactions, such as speaking engagement fees, consulting services, and other contractual arrangements. Receivables are recorded at net realizable value and are reviewed periodically for collectibility. Management evaluates the adequacy of the allowance for doubtful accounts based on historical experience, the nature of the receivables, and current economic conditions. Management has determined that no allowance for credit losses was necessary at December 31, 2024 and 2023.

Accounts receivable totaled as follows at December 31:

	2024	2023	2022
Accounts receivable	\$ 60,258	\$ -	\$ -

Contributions Receivable:

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The allowance for uncollectible promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. Management has determined that no allowance for doubtful accounts was necessary at December 31, 2024 and 2023.

At December 31, 2024 and 2023, unconditional promises to give included approximately \$510,593 and \$149,885, respectively, expected to be collected in less than one year, and approximately \$146,463 and \$0, respectively, expected to be collected in one to five years.

Donated Goods and Services:

The Organization's policy is to recognize contributed professional services if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets and materials are recognized at fair value when received.

**SYLVIA EARLE ALLIANCE DBA MISSION BLUE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**Note 2**  
**Summary of Significant Accounting Policies (Continued)**

Investments:

Investments are recorded at cost, if purchased, or at fair value on the date of donation, if donated. Investments, primarily consisting of equity securities, are stated at fair value. Investments in equity securities with readily determinable values are valued based on quoted market prices in active markets in which the securities are traded. Gains and losses, both realized and unrealized, resulting from increases or decreases in the fair value of investments are reflected in the statements of activities as increases or decreases in net assets without donor restrictions unless the use was restricted by explicit donor stipulations or by law.

Investment securities are exposed to various risks, such as interest rate risk, market risk and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the accompanying financial statements.

Fair Value Measurements:

The Organization applies FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements* (ASC 820), which establishes a framework for measuring fair value and expands disclosure requirements about fair value measurements. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

The three general valuation techniques that may be used to measure fair value are described below:

Level 1      Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2      Inputs to the valuation methodology include:

- Quoted market prices for similar assets or liability 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 to the valuation methodology are unobservable and significant to the fair value measurement.

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**Note 2**

**Summary of Significant Accounting Policies (Continued)**

The following are descriptions of the valuation methods and assumptions used by the Organization to estimate the fair values of certain financial instruments. There have been no changes to the methodologies used at December 31, 2024 and 2023:

**Equity Securities:** Consist of funds which are primarily invested in equity securities. The fair value of the securities, which are readily marketable, is determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs).

**Property and Equipment:**

Property and equipment are stated at cost. Expenditures for minor additions of equipment are charged to expense when incurred. The Organization capitalizes interest as a component of the cost of property and equipment when the property and equipment is constructed using borrowed funds.

Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, as follows:

Building and improvements	5 - 40 years
Furniture and equipment	3 - 7 years
Vehicles	5 - 7 years

**Functional Expenses:**

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Expenses are directly charged to the program services and supporting activities other than those that benefit multiple functions. The financial statements report certain categories of expenses that are attributable to one or more program or supporting activities of the Organization. Allocations are determined by management on an equitable basis. Certain expenses (such as salaries and wages, rent and utilities, insurance, and other overhead) have been allocated based on time and effort using the Organization's payroll allocations.

**Outgoing Contributions and Grants Payable:**

Outgoing contributions, which represent grants awarded to other organizations, are recognized when a payment is made to a grantee or in the period the grantee is notified of the award, provided the grant is not subject to significant future conditions. Conditional grants are recognized as outgoing contributions and recorded as grants payable in the period in which the grantee satisfies the specified conditions.

At December 31, 2024, grants payable totaled \$306,381, which is included in accounts payable on the statement of financial position. All grants payable are expected to be disbursed within one year.

**Tax Exempt Status:**

The Organization is a nonprofit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for federal income taxes is required. The Organization applies the guidance on accounting for uncertain tax positions in FASB ASC 740 Income Taxes. The Organization is no longer subject to income tax examinations for tax years up to and including 2023.

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**Note 3**

**Liquidity and Availability of Resources**

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of December 31, :

	2024	2023
Financial assets available for general expenditure within one year:		
Cash and cash equivalents	\$ 2,255,922	\$ 2,074,391
Certificate of deposit	200,390	200,370
Investments	67,387	59,120
Contributions receivable	510,593	149,885
Accounts receivables	60,258	-
Total financial assets	3,094,550	2,483,766
Less: donor-restricted	(962,529)	(362,229)
Total financial assets available for general expenditure within one year	\$ 2,132,021	\$ 2,121,537

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments. In addition to financial assets available for general expenditure within one year, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Because the donor restrictions require resources to be used in a particular manner or in future periods, the Organization maintains sufficient resources to meet the responsibility to its donors. Thus, financial assets as they relate to donor restrictions may not be available for general expenditure within one year.

**Note 4**

**Investments**

Investments consisted of the following as of December 31, 2024 and 2023:

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total Fair Value
Equity securities and mutual funds:				
Equities	\$ 65,562	\$ -	\$ -	\$ 65,562
Total assets at fair value	\$ 65,562	\$ -	\$ -	\$ 65,562

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**Note 4  
Investments (Continued)**

	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total Fair Value
Equity securities and mutual funds:				
Equities	\$ 57,879	\$ -	\$ -	\$ 57,879
Total assets at fair value	\$ 57,879	\$ -	\$ -	\$ 57,879

In accordance with the ASC 820, the Organization's investments are considered to be Level 1 within the fair value hierarchy. There were no significant transfers between the levels during the year. The Organization's policy is to recognize transfers in and out of the levels at the end of the fiscal year; interim changes in the availability of fair value inputs are not recognized.

**Note 5  
Property and Equipment**

The following is a summary of property and equipment at cost at December 31, 2024 and 2023:

	2024	2023
Furniture and equipment	\$ 37,782	\$ 31,542
Less: accumulated depreciation	(25,697)	(22,290)
Property and equipment, net	\$ 12,085	\$ 9,252

Depreciation expense for the years ended December 31, 2024 and 2023, totaled \$3,407 and \$3,390, respectively.

**Note 6  
Net Assets With Donor Restrictions**

Net assets with donor restrictions consist of the following as of December 31, 2024:

	Beginning Balance	Contributions and Income	Released from Restrictions	Ending Balance
Expedition	\$ 41,631	\$ -	\$ 41,631	\$ -
Outreach and education	3,849	375,000	378,849	-
Hope Spots/ Community Engagement	91,788	875,000	550,701	416,087
Policy	2,068	30,800	32,868	-
New program initiatives	195,753	-	195,753	-
Operations	27,140	75,000	102,140	-
Science	-	924,068	377,626	546,442
Advancement	-	100,000	100,000	-
	\$ 362,229	\$ 2,379,868	\$ 1,779,568	\$ 962,529

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**Note 6**

**Net Assets With Donor Restrictions (Continued)**

Net assets with donor restrictions consist of the following as of December 31, 2023:

	<u>Beginning Balance</u>	<u>Contributions and Income</u>	<u>Released from Restrictions</u>	<u>Ending Balance</u>
Expedition	\$ 200,000	\$ 200,000	\$ 358,369	\$ 41,631
Outreach and education	200,000	175,000	371,151	3,849
Hope Spots/ Community Engagement	350,000	400,000	658,212	91,788
Policy	250,000	61,800	309,732	2,068
New program initiatives	850,000	-	654,247	195,753
Operations	<u>150,000</u>	<u>75,000</u>	<u>197,860</u>	<u>27,140</u>
	<u>\$ 2,000,000</u>	<u>\$ 911,800</u>	<u>\$ 2,549,571</u>	<u>\$ 362,229</u>

**Note 7**

**Commitments and Contingencies**

In the normal course of business, various legal actions and claims are pending or may be instituted or asserted in the future against the Organization. Management believes the Organization does not have any significant claims or other litigation which the ultimate resolution would have a material financial impact.

**Note 8**

**Subsequent Events**

Management considered all events through November 14, 2025, the date the financial statements were available for release, in preparing the financial statements and the related disclosures. The Organization is not aware of any other significant events that occurred subsequent to December 31, 2024, but prior to the issuance of this report, that would have a material impact on the financial statements.