Mote Marine Laboratory, Inc.
Financial Statements,
Supplemental Information,
Contract Compliance and
Independent Auditor’s Report
September 30, 2023 and 2022
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</tbody>
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Independent Auditor’s Report

The Board of Trustees
Mote Marine Laboratory, Inc.
Sarasota, Florida

Opinion
We have audited the financial statements of Mote Marine Laboratory, Inc. (Laboratory), a nonprofit organization, which comprise the statements of financial position as of September 30, 2023 and 2022, the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Laboratory as of September 30, 2023 and 2022, 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards). 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 Laboratory 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 Laboratory’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.
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 and Government 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 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 and Government 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 the Laboratory’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 Laboratory’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.

Other Matters
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 10.650, Rules of the Auditor General of the State of Florida 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 GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.
Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 22, 2024, on our consideration of the Laboratory’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Laboratory’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Laboratory’s internal control over financial reporting and compliance.

Sarasota, Florida
February 22, 2024
### Mote Marine Laboratory, Inc.

**Statements of Financial Position**

September 30, 2023 and 2022

<table>
<thead>
<tr>
<th>Assets</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$12,541,540</td>
<td>$15,353,772</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>4,967,920</td>
<td>4,919,837</td>
</tr>
<tr>
<td>Promises to give, net</td>
<td>7,581,319</td>
<td>9,554,050</td>
</tr>
<tr>
<td>Due from Mote Marine Foundation, Inc.</td>
<td>449,892</td>
<td>470,049</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>273,957</td>
<td>179,710</td>
</tr>
<tr>
<td>Investments - certificates of deposit</td>
<td>119,840</td>
<td>119,193</td>
</tr>
<tr>
<td>Patents, net</td>
<td>79,923</td>
<td>79,286</td>
</tr>
<tr>
<td>Investment in deferred compensation plan</td>
<td>591,270</td>
<td>611,078</td>
</tr>
<tr>
<td>Land</td>
<td>7,519,082</td>
<td>7,519,082</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>14,270,964</td>
<td>14,064,103</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>70,864,506</td>
<td>30,339,458</td>
</tr>
<tr>
<td>Beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>18,589,544</td>
<td>16,481,634</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$137,849,757</strong></td>
<td><strong>$99,691,252</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$5,322,220</td>
<td>$2,680,699</td>
</tr>
<tr>
<td>Accrued payroll</td>
<td>1,179,701</td>
<td>1,058,914</td>
</tr>
<tr>
<td>Memberships relating to future periods</td>
<td>585,397</td>
<td>546,511</td>
</tr>
<tr>
<td>Funds advanced on research programs</td>
<td>3,368,561</td>
<td>5,154,051</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>2,250,000</td>
<td>-</td>
</tr>
<tr>
<td>Deferred compensation payable</td>
<td>591,270</td>
<td>611,078</td>
</tr>
<tr>
<td>Lines of credit</td>
<td>16,226,314</td>
<td>13,976,647</td>
</tr>
<tr>
<td>Notes payable</td>
<td>4,731,392</td>
<td>5,466,368</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>34,254,855</strong></td>
<td><strong>16,915,268</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Without donor restrictions:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated</td>
<td>75,009,760</td>
<td>51,673,165</td>
</tr>
<tr>
<td>Board designated</td>
<td>390,818</td>
<td>390,818</td>
</tr>
<tr>
<td><strong>Total net assets without donor restrictions</strong></td>
<td><strong>75,400,578</strong></td>
<td><strong>52,063,983</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>With donor restrictions:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose and time restrictions</td>
<td>18,145,227</td>
<td>20,664,511</td>
</tr>
<tr>
<td>Perpetual in nature</td>
<td>10,047,490</td>
<td>10,047,490</td>
</tr>
<tr>
<td><strong>Total net assets with donor restrictions</strong></td>
<td><strong>28,194,324</strong></td>
<td><strong>30,712,001</strong></td>
</tr>
</tbody>
</table>

| **Total net assets**        | **103,594,902**  | **82,775,984**   |

| **Total Liabilities and Net Assets** | **$137,849,757** | **$99,691,252** |

See accompanying notes to the financial statements.
## Statement of Activities

### Mote Marine Laboratory, Inc.

**Year Ended September 30, 2023**

(*With Summarized Totals for 2022*)

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
<th>2022 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support, Revenue and Reclassifications:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Program revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>$5,591,380</td>
<td>$5,591,380</td>
<td>$5,677,236</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>7,399,790</td>
<td>7,399,790</td>
<td>6,814,217</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>3,705,517</td>
<td>3,705,517</td>
<td>5,122,356</td>
<td></td>
</tr>
<tr>
<td><strong>Aquarium:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admission fees</td>
<td>6,552,472</td>
<td>6,552,472</td>
<td>6,230,784</td>
<td></td>
</tr>
<tr>
<td>Gift shop</td>
<td>633,173</td>
<td>633,173</td>
<td>644,078</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>383,051</td>
<td>383,051</td>
<td>699,109</td>
<td></td>
</tr>
<tr>
<td>Memberships</td>
<td>1,070,026</td>
<td>1,070,026</td>
<td>1,118,070</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>748,989</td>
<td>748,989</td>
<td>617,845</td>
<td></td>
</tr>
<tr>
<td>Protect Our Reefs-License Plate</td>
<td>1,569,844</td>
<td>1,569,844</td>
<td>1,350,873</td>
<td></td>
</tr>
<tr>
<td>Other programs</td>
<td>268,534</td>
<td>6,085,000</td>
<td>6,353,534</td>
<td></td>
</tr>
<tr>
<td><strong>Contributions:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>-</td>
<td>11,145,408</td>
<td>13,556,039</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>452,627</td>
<td>122,037</td>
<td>574,664</td>
<td></td>
</tr>
<tr>
<td>Aquarium</td>
<td>84,481</td>
<td>198,303</td>
<td>139,718</td>
<td></td>
</tr>
<tr>
<td>Other programs</td>
<td>4,927,143</td>
<td>8,906,199</td>
<td>2,884,852</td>
<td></td>
</tr>
<tr>
<td>Non-cash contributions</td>
<td>203,504</td>
<td>103,451</td>
<td>115,532</td>
<td></td>
</tr>
<tr>
<td>Grants from Mote Marine Foundation, Inc.</td>
<td>361,842</td>
<td>361,842</td>
<td>465,741</td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>7,463</td>
<td>111,451</td>
<td>68,043</td>
<td></td>
</tr>
<tr>
<td>Unrealized gain (loss) on investments, net</td>
<td>727</td>
<td>3,185</td>
<td>(121,052)</td>
<td></td>
</tr>
<tr>
<td>Realized gain (loss) on investments, net</td>
<td>4,131</td>
<td>4,447</td>
<td>(14,393)</td>
<td></td>
</tr>
<tr>
<td>Realized loss on disposal of assets</td>
<td>-</td>
<td>-</td>
<td>(1,599)</td>
<td></td>
</tr>
<tr>
<td><strong>Change in beneficial interest in the net assets of Mote Marine Foundation, Inc.</strong></td>
<td>178,965</td>
<td>2,107,910</td>
<td>(4,196,727)</td>
<td></td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>26,074,137</td>
<td>(26,074,137)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total support, revenue and reclassifications</strong></td>
<td>60,217,796</td>
<td>(2,517,677)</td>
<td>57,700,119</td>
<td>43,832,432</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>22,516,029</td>
<td>22,516,029</td>
<td>19,693,397</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>1,525,406</td>
<td>1,525,406</td>
<td>1,221,417</td>
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<tr>
<td>Aquarium</td>
<td>5,239,570</td>
<td>5,239,570</td>
<td>4,679,048</td>
<td></td>
</tr>
<tr>
<td>Protect Our Reefs-License Plate</td>
<td>1,238,729</td>
<td>1,238,729</td>
<td>970,118</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>1,565,151</td>
<td>1,565,151</td>
<td>944,684</td>
<td></td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research facilities and operations</td>
<td>1,017,161</td>
<td>1,017,161</td>
<td>788,080</td>
<td></td>
</tr>
<tr>
<td>Administrative and general</td>
<td>1,296,409</td>
<td>1,296,409</td>
<td>1,224,295</td>
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<tr>
<td>Fundraising</td>
<td>2,482,746</td>
<td>2,482,746</td>
<td>2,241,936</td>
<td></td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>36,881,201</td>
<td>36,881,201</td>
<td>31,762,975</td>
<td></td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>23,336,595</td>
<td>(2,517,677)</td>
<td>20,818,918</td>
<td>12,069,457</td>
</tr>
<tr>
<td><strong>Net assets at beginning of year</strong></td>
<td>52,063,983</td>
<td>82,775,984</td>
<td>70,706,527</td>
<td></td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$75,400,578</td>
<td>$103,594,902</td>
<td>$82,775,984</td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
## Mote Marine Laboratory, Inc.

**Statement of Activities**  
Year Ended September 30, 2022  
(With Summarized Totals for 2023)

### Support, Revenue and Reclassifications:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
<th>2023 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>$5,677,236</td>
<td>$ -</td>
<td>$5,677,236</td>
<td>$5,591,380</td>
</tr>
<tr>
<td>State</td>
<td>6,814,217</td>
<td>-</td>
<td>6,814,217</td>
<td>7,399,790</td>
</tr>
<tr>
<td>Other</td>
<td>5,023,170</td>
<td>99,186</td>
<td>5,122,356</td>
<td>3,705,517</td>
</tr>
<tr>
<td><strong>Aquarium:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admission fees</td>
<td>6,230,784</td>
<td>-</td>
<td>6,230,784</td>
<td>6,552,472</td>
</tr>
<tr>
<td>Gift shop</td>
<td>644,078</td>
<td>-</td>
<td>644,078</td>
<td>633,173</td>
</tr>
<tr>
<td>Other</td>
<td>699,109</td>
<td>-</td>
<td>699,109</td>
<td>383,051</td>
</tr>
<tr>
<td>Memberships</td>
<td>1,118,070</td>
<td>-</td>
<td>1,118,070</td>
<td>1,070,026</td>
</tr>
<tr>
<td>Education</td>
<td>617,845</td>
<td>-</td>
<td>617,845</td>
<td>748,989</td>
</tr>
<tr>
<td>Protect Our Reefs-License Plate</td>
<td>1,350,873</td>
<td>-</td>
<td>1,350,873</td>
<td>1,569,844</td>
</tr>
<tr>
<td>Other programs</td>
<td>358,684</td>
<td>1,807,218</td>
<td>2,165,902</td>
<td>6,353,534</td>
</tr>
<tr>
<td><strong>Contributions:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>-</td>
<td>13,556,039</td>
<td>13,556,039</td>
<td>11,145,408</td>
</tr>
<tr>
<td>Education</td>
<td>470,808</td>
<td>25,000</td>
<td>495,808</td>
<td>574,664</td>
</tr>
<tr>
<td>Aquarium</td>
<td>94,826</td>
<td>44,892</td>
<td>139,718</td>
<td>198,303</td>
</tr>
<tr>
<td>Other programs</td>
<td>2,859,602</td>
<td>25,250</td>
<td>2,884,852</td>
<td>8,906,199</td>
</tr>
<tr>
<td>Non-cash contributions</td>
<td>99,328</td>
<td>105,532</td>
<td>204,860</td>
<td>111,451</td>
</tr>
<tr>
<td>Grants from Mote Marine Foundation, Inc.</td>
<td>465,741</td>
<td>-</td>
<td>465,741</td>
<td>361,842</td>
</tr>
<tr>
<td>Investment income</td>
<td>16,144</td>
<td>51,899</td>
<td>68,043</td>
<td>111,451</td>
</tr>
<tr>
<td>Unrealized gain (loss) on investments, net</td>
<td>(8,318)</td>
<td>(112,734)</td>
<td>(121,052)</td>
<td>3,185</td>
</tr>
<tr>
<td>Realized gain (loss) on investments, net</td>
<td>5,152</td>
<td>(19,545)</td>
<td>(14,393)</td>
<td>4,447</td>
</tr>
<tr>
<td>Realized loss on disposal of assets</td>
<td>(1,599)</td>
<td>-</td>
<td>(1,599)</td>
<td>-</td>
</tr>
<tr>
<td>Change in beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>(366,359)</td>
<td>(3,830,368)</td>
<td>(4,196,727)</td>
<td>2,107,910</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>15,681,401</td>
<td>(15,681,401)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total support, revenue and reclassifications</strong></td>
<td>47,850,792</td>
<td>(4,018,360)</td>
<td>43,832,432</td>
<td>57,700,119</td>
</tr>
</tbody>
</table>

### Expenses:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
<th>2023 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program services:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>19,693,397</td>
<td>-</td>
<td>19,693,397</td>
<td>22,516,029</td>
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<tr>
<td>Education</td>
<td>1,221,417</td>
<td>-</td>
<td>1,221,417</td>
<td>1,525,406</td>
</tr>
<tr>
<td>Aquarium</td>
<td>4,679,048</td>
<td>-</td>
<td>4,679,048</td>
<td>5,239,570</td>
</tr>
<tr>
<td>Protect Our Reefs-License Plate</td>
<td>970,118</td>
<td>-</td>
<td>970,118</td>
<td>1,238,729</td>
</tr>
<tr>
<td>Other</td>
<td>944,684</td>
<td>-</td>
<td>944,684</td>
<td>1,565,151</td>
</tr>
<tr>
<td><strong>Supporting services:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research facilities and operations</td>
<td>788,080</td>
<td>-</td>
<td>788,080</td>
<td>1,017,161</td>
</tr>
<tr>
<td>Administrative and general</td>
<td>1,224,295</td>
<td>-</td>
<td>1,224,295</td>
<td>1,296,409</td>
</tr>
<tr>
<td>Fundraising</td>
<td>2,241,936</td>
<td>-</td>
<td>2,241,936</td>
<td>2,482,746</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>31,762,975</td>
<td>-</td>
<td>31,762,975</td>
<td>36,881,201</td>
</tr>
</tbody>
</table>

Change in net assets

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
<th>2023 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16,087,817</td>
<td>(4,018,360)</td>
<td>12,069,457</td>
<td>20,818,918</td>
</tr>
</tbody>
</table>

Net assets at beginning of year

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
<th>2023 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>35,976,166</td>
<td>34,730,361</td>
<td>70,706,527</td>
<td>82,775,984</td>
</tr>
</tbody>
</table>

Net assets at end of year

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
<th>2023 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 52,063,983</td>
<td>$ 30,712,001</td>
<td>$ 82,775,984</td>
<td>$ 103,594,902</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.

- 6 -
Cash Flows from Operating Activities:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$20,818,918</td>
<td>$12,069,457</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>$2,625,339</td>
<td>$2,517,601</td>
</tr>
<tr>
<td>Realized loss on disposal of assets</td>
<td>-</td>
<td>1,599</td>
</tr>
<tr>
<td>Unrealized / realized loss (gain) on investments, net</td>
<td>$(7,632)</td>
<td>$135,445</td>
</tr>
<tr>
<td>Change in beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>$(2,107,910)</td>
<td>$4,196,727</td>
</tr>
<tr>
<td>Non-cash contributions</td>
<td>$(278,934)</td>
<td>$(115,532)</td>
</tr>
<tr>
<td>Proceeds from donated assets held for sale</td>
<td>$237,040</td>
<td>-</td>
</tr>
<tr>
<td>Change in operating assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$(48,083)</td>
<td>$(623,920)</td>
</tr>
<tr>
<td>Promises to give, net</td>
<td>$1,972,731</td>
<td>$(1,706,471)</td>
</tr>
<tr>
<td>Due from Mote Marine Foundation, Inc.</td>
<td>$20,157</td>
<td>$59,233</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>$(94,247)</td>
<td>$(53,694)</td>
</tr>
<tr>
<td>Change in operating liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$(317,189)</td>
<td>$(149,636)</td>
</tr>
<tr>
<td>Accrued payroll</td>
<td>$120,787</td>
<td>$127,213</td>
</tr>
<tr>
<td>Memberships relating to future periods</td>
<td>$38,886</td>
<td>$(93,314)</td>
</tr>
<tr>
<td>Funds advanced on research programs</td>
<td>$(1,785,490)</td>
<td>$313,600</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$2,250,000</td>
<td>-</td>
</tr>
<tr>
<td>Total adjustments</td>
<td>$2,625,455</td>
<td>$4,608,851</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$23,444,373</td>
<td>$16,678,308</td>
</tr>
</tbody>
</table>

Cash Flows from Investing Activities:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of property and equipment</td>
<td>$(40,330,493)</td>
<td>$(16,670,197)</td>
</tr>
<tr>
<td>Proceeds from sale of property and equipment</td>
<td>-</td>
<td>$3,200</td>
</tr>
<tr>
<td>Proceeds from maturity of certificate of deposit</td>
<td>-</td>
<td>$253,091</td>
</tr>
<tr>
<td>Patent costs</td>
<td>$(19,803)</td>
<td>$(9,019)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>$(40,350,296)</td>
<td>$(16,422,925)</td>
</tr>
</tbody>
</table>

Cash Flows from Financing Activities:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net change in lines of credit</td>
<td>$14,828,667</td>
<td>$(4,454)</td>
</tr>
<tr>
<td>Repayments of notes payable</td>
<td>$(734,976)</td>
<td>$(1,248,674)</td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>$14,093,691</td>
<td>$(1,253,128)</td>
</tr>
</tbody>
</table>

Net change in cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>$15,353,772</td>
<td>$16,351,517</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$12,541,540</td>
<td>$15,353,772</td>
</tr>
</tbody>
</table>

Cash and cash equivalents, end of year, consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$11,956,890</td>
<td>$14,780,482</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>$584,650</td>
<td>$573,290</td>
</tr>
<tr>
<td></td>
<td>$12,541,540</td>
<td>$15,353,772</td>
</tr>
</tbody>
</table>

Supplemental Disclosure of Non-Cash:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating, Investing, and Financing Activity:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash paid for interest</td>
<td>$204,201</td>
<td>$207,150</td>
</tr>
<tr>
<td>Construction in progress included in accounts payable</td>
<td>$4,716,298</td>
<td>$1,757,588</td>
</tr>
<tr>
<td>Construction in progress non-cash contribution</td>
<td>$46,879</td>
<td>-</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
## Program Services

<table>
<thead>
<tr>
<th>Research</th>
<th>Education</th>
<th>Aquarium</th>
<th>Protect our Reefs</th>
<th>License Plate</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>$9,280,990</td>
<td>$958,532</td>
<td>$3,152,033</td>
<td>$519,426</td>
<td>$757,413</td>
<td>$14,668,394</td>
</tr>
<tr>
<td>Contracted services</td>
<td>3,649,264</td>
<td>306,929</td>
<td>111,068</td>
<td>74,905</td>
<td>56,248</td>
<td>4,198,414</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td>174,670</td>
<td>-</td>
<td>51,778</td>
<td>226,448</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>602,925</td>
<td>2,597</td>
<td>630,332</td>
<td>140,005</td>
<td>184,863</td>
<td>1,560,722</td>
</tr>
<tr>
<td>Travel, meals and seminars</td>
<td>631,007</td>
<td>48,856</td>
<td>39,813</td>
<td>11,181</td>
<td>138,280</td>
<td>869,137</td>
</tr>
<tr>
<td>Research supplies</td>
<td>2,116,460</td>
<td>33,553</td>
<td>(226)</td>
<td>87,625</td>
<td>1,076</td>
<td>2,238,488</td>
</tr>
<tr>
<td>Merchandise</td>
<td>2,629</td>
<td>10,606</td>
<td>56,447</td>
<td>177</td>
<td>540</td>
<td>70,399</td>
</tr>
<tr>
<td>Office expense</td>
<td>198,489</td>
<td>28,632</td>
<td>395,382</td>
<td>16,000</td>
<td>102,755</td>
<td>771,145</td>
</tr>
<tr>
<td>Electricity</td>
<td>72,382</td>
<td>-</td>
<td>251,592</td>
<td>95,705</td>
<td>7,820</td>
<td>47,628</td>
</tr>
<tr>
<td>Insurance</td>
<td>35,363</td>
<td>-</td>
<td>41,845</td>
<td>10,603</td>
<td>86,793</td>
<td>125,815</td>
</tr>
<tr>
<td>Telephone</td>
<td>28,172</td>
<td>6,893</td>
<td>10,972</td>
<td>13,956</td>
<td>67,813</td>
<td>76,138</td>
</tr>
<tr>
<td>Promotion and advertising</td>
<td>192,888</td>
<td>57,939</td>
<td>62,544</td>
<td>16,100</td>
<td>47,628</td>
<td>377,099</td>
</tr>
<tr>
<td>Expendable supplies</td>
<td>2,403</td>
<td>6,191</td>
<td>7,436</td>
<td>749</td>
<td>1,099</td>
<td>18,378</td>
</tr>
<tr>
<td>Printing and publication</td>
<td>12,094</td>
<td>2,712</td>
<td>36,826</td>
<td>974</td>
<td>11,225</td>
<td>63,831</td>
</tr>
<tr>
<td>Vessel</td>
<td>30,876</td>
<td>400</td>
<td>-</td>
<td>4,033</td>
<td>189,740</td>
<td>225,049</td>
</tr>
<tr>
<td>Vehicle</td>
<td>50,084</td>
<td>-</td>
<td>8,533</td>
<td>538</td>
<td>31,418</td>
<td>90,573</td>
</tr>
<tr>
<td>Interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accounting and legal</td>
<td>9,088</td>
<td>916</td>
<td>13,703</td>
<td>-</td>
<td>21,139</td>
<td>44,846</td>
</tr>
<tr>
<td>Equipment rental</td>
<td>5,196</td>
<td>31</td>
<td>15,290</td>
<td>58,133</td>
<td>29,180</td>
<td>107,831</td>
</tr>
<tr>
<td>Library</td>
<td>292</td>
<td>45</td>
<td>-</td>
<td>-</td>
<td>64,924</td>
<td>65,261</td>
</tr>
<tr>
<td>Licenses and fees</td>
<td>41,656</td>
<td>5,126</td>
<td>108,373</td>
<td>3,100</td>
<td>16,862</td>
<td>175,117</td>
</tr>
<tr>
<td>Rent</td>
<td>35,631</td>
<td>30,323</td>
<td>2,390</td>
<td>-</td>
<td>11,180</td>
<td>79,524</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>24,128</td>
<td>24,128</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16,997,889</strong></td>
<td><strong>1,500,281</strong></td>
<td><strong>5,119,023</strong></td>
<td><strong>1,053,756</strong></td>
<td><strong>1,920,197</strong></td>
<td><strong>26,591,146</strong></td>
</tr>
</tbody>
</table>

### Overhead allocation

| Vessel, vehicle and equipment | $5,109,606 | $2,332 | $35,094 | $169,497 | $21,139 | $5,316,529 |

### Rental use charges allocation:

| Vessel, vehicle and equipment | $408,534 | $22,793 | $85,453 | $15,476 | $(355,046) | $177,210 |

### Total Expenses

<table>
<thead>
<tr>
<th>Research</th>
<th>Education</th>
<th>Aquarium</th>
<th>Protect our Reefs</th>
<th>License Plate</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$22,516,029</td>
<td>$1,525,406</td>
<td>$5,239,570</td>
<td>$1,238,729</td>
<td>$1,565,151</td>
<td>$32,084,885</td>
<td></td>
</tr>
</tbody>
</table>

### Percent of Total

<p>| 87% |</p>
<table>
<thead>
<tr>
<th>Supporting Services</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Facilities and Operations</td>
<td>Administrative and General</td>
<td>Fund Raising</td>
</tr>
<tr>
<td>$1,198,756</td>
<td>$1,367,661</td>
<td>$1,586,252</td>
</tr>
<tr>
<td>39,576</td>
<td>87,177</td>
<td>178,493</td>
</tr>
<tr>
<td>555,991</td>
<td>1,822,097</td>
<td>-</td>
</tr>
<tr>
<td>715,425</td>
<td>87,899</td>
<td>9,430</td>
</tr>
<tr>
<td>15,100</td>
<td>25,817</td>
<td>299,331</td>
</tr>
<tr>
<td>43,925</td>
<td>153</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>1,439</td>
</tr>
<tr>
<td>17,177</td>
<td>141,465</td>
<td>91,564</td>
</tr>
<tr>
<td>485,283</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>357,956</td>
<td>242,803</td>
<td>202</td>
</tr>
<tr>
<td>13,723</td>
<td>39,984</td>
<td>3,024</td>
</tr>
<tr>
<td>-</td>
<td>1,172</td>
<td>151,168</td>
</tr>
<tr>
<td>82</td>
<td>14,116</td>
<td>-</td>
</tr>
<tr>
<td>10,176</td>
<td>2,926</td>
<td>89,896</td>
</tr>
<tr>
<td>573</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>90,820</td>
<td>1,180</td>
<td>-</td>
</tr>
<tr>
<td>642</td>
<td>203,559</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>62,358</td>
<td>2,564</td>
</tr>
<tr>
<td>43,529</td>
<td>28,201</td>
<td>48,992</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>29,595</td>
<td>64,018</td>
<td>16,785</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3,618,329</td>
<td>4,192,586</td>
<td>2,479,140</td>
</tr>
<tr>
<td>(2,462,829)</td>
<td>(2,853,700)</td>
<td>-</td>
</tr>
<tr>
<td>(138,339)</td>
<td>(42,477)</td>
<td>3,606</td>
</tr>
<tr>
<td>$1,017,161</td>
<td>$1,296,409</td>
<td>$2,482,746</td>
</tr>
<tr>
<td>3%</td>
<td>3%</td>
<td>7%</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
## Mote Marine Laboratory, Inc.

Statement of Functional Expenses  
Year Ended September 30, 2022  
(With Summarized Totals for 2023)

### Program Services

<table>
<thead>
<tr>
<th>Research</th>
<th>Education</th>
<th>Aquarium</th>
<th>License Plate</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>$8,483,348</td>
<td>$767,754</td>
<td>$2,908,473</td>
<td>$321,972</td>
<td>$282,252</td>
</tr>
<tr>
<td>Contracted services</td>
<td>2,960,830</td>
<td>221,352</td>
<td>101,029</td>
<td>113,367</td>
<td>60,260</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td>186,757</td>
<td>36,446</td>
<td>5,078</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>471,310</td>
<td>559</td>
<td>543,157</td>
<td>195,695</td>
<td>96,935</td>
</tr>
<tr>
<td>Travel, meals and seminars</td>
<td>458,105</td>
<td>36,395</td>
<td>4,407</td>
<td>2,592</td>
<td>1,586,927</td>
</tr>
<tr>
<td>Research supplies</td>
<td>1,518,051</td>
<td>19,507</td>
<td>4,407</td>
<td>2,592</td>
<td>1,586,927</td>
</tr>
<tr>
<td>Merchandise</td>
<td>1,585</td>
<td>3,398</td>
<td>27,809</td>
<td>395</td>
<td>-</td>
</tr>
<tr>
<td>Office expense</td>
<td>143,531</td>
<td>32,626</td>
<td>420,039</td>
<td>23,834</td>
<td>106,280</td>
</tr>
<tr>
<td>Electricity</td>
<td>54,754</td>
<td>-</td>
<td>187,590</td>
<td>81,573</td>
<td>4,796</td>
</tr>
<tr>
<td>Insurance</td>
<td>32,118</td>
<td>-</td>
<td>51,743</td>
<td>11,191</td>
<td>17,593</td>
</tr>
<tr>
<td>Telephone</td>
<td>27,458</td>
<td>5,369</td>
<td>11,997</td>
<td>4,976</td>
<td>112,645</td>
</tr>
<tr>
<td>Promotion and advertising</td>
<td>174,808</td>
<td>52,758</td>
<td>61,709</td>
<td>12,485</td>
<td>38,601</td>
</tr>
<tr>
<td>Expendable supplies</td>
<td>5,850</td>
<td>8,918</td>
<td>15,463</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Printing and publication</td>
<td>12,057</td>
<td>3,778</td>
<td>22,000</td>
<td>4,377</td>
<td>6,537</td>
</tr>
<tr>
<td>Vessel</td>
<td>109,459</td>
<td>-</td>
<td>-</td>
<td>25</td>
<td>35,359</td>
</tr>
<tr>
<td>Vehicle</td>
<td>48,311</td>
<td>500</td>
<td>10,340</td>
<td>5,258</td>
<td>113,277</td>
</tr>
<tr>
<td>Interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>26,195</td>
</tr>
<tr>
<td>Accounting and legal</td>
<td>1,078</td>
<td>337</td>
<td>1,168</td>
<td>-</td>
<td>135,876</td>
</tr>
<tr>
<td>Equipment rental</td>
<td>8,489</td>
<td>-</td>
<td>2,876</td>
<td>8,278</td>
<td>15,684</td>
</tr>
<tr>
<td>Library</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>55,063</td>
</tr>
<tr>
<td>Licenses and fees</td>
<td>75,856</td>
<td>2,942</td>
<td>20,737</td>
<td>4,009</td>
<td>10,976</td>
</tr>
<tr>
<td>Rent</td>
<td>46,082</td>
<td>15,099</td>
<td>-</td>
<td>-</td>
<td>9,000</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>17,872</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$14,633,080</td>
<td>$1,171,292</td>
<td>$4,606,935</td>
<td>$885,709</td>
<td>$1,223,238</td>
</tr>
</tbody>
</table>

### Overhead allocation

| Overhead allocation | $4,787,790 | $13,713 | 312 | 70,632 | - | 4,872,447 |

### Rental use charges allocation:

- **Vessel, vehicle and equipment**
  - $272,527 | 36,412 | 71,801 | 13,777 | (278,554) | 115,963 |

### Total Expenses

| Total Expenses | $19,693,397 | $1,221,417 | $4,679,048 | $970,118 | $944,684 | $27,508,664 |

### Percent of Total

<p>| Percent of Total | 87% |</p>
<table>
<thead>
<tr>
<th>Supporting Services</th>
<th></th>
<th></th>
<th></th>
<th>2022 Functional Expenses</th>
<th>2023 Functional Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Research Facilities and Operations</td>
<td>Administrative and General</td>
<td>Fund Raising</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1,049,108</td>
<td>$1,290,222</td>
<td>$1,433,945</td>
<td>$3,773,275</td>
<td>$16,537,074</td>
</tr>
<tr>
<td></td>
<td>9,465</td>
<td>113,725</td>
<td>188,012</td>
<td>311,202</td>
<td>3,768,040</td>
</tr>
<tr>
<td></td>
<td>335,819</td>
<td>1,935,629</td>
<td>-</td>
<td>2,271,448</td>
<td>2,499,729</td>
</tr>
<tr>
<td></td>
<td>490,624</td>
<td>98,384</td>
<td>6,790</td>
<td>595,798</td>
<td>1,903,454</td>
</tr>
<tr>
<td></td>
<td>37,883</td>
<td>35,793</td>
<td>249,458</td>
<td>323,134</td>
<td>946,675</td>
</tr>
<tr>
<td></td>
<td>10,802</td>
<td>11,984</td>
<td>875</td>
<td>23,661</td>
<td>1,610,588</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>2,644</td>
<td>116</td>
<td>2,760</td>
<td>35,947</td>
</tr>
<tr>
<td></td>
<td>22,983</td>
<td>80,756</td>
<td>63,269</td>
<td>167,008</td>
<td>893,318</td>
</tr>
<tr>
<td></td>
<td>454,657</td>
<td>-</td>
<td>-</td>
<td>454,657</td>
<td>873,108</td>
</tr>
<tr>
<td></td>
<td>205,072</td>
<td>296,293</td>
<td>-</td>
<td>501,365</td>
<td>614,010</td>
</tr>
<tr>
<td></td>
<td>15,902</td>
<td>27,840</td>
<td>2,395</td>
<td>46,137</td>
<td>109,269</td>
</tr>
<tr>
<td></td>
<td>390</td>
<td>9,172</td>
<td>144,574</td>
<td>154,136</td>
<td>494,497</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>49</td>
<td>-</td>
<td>49</td>
<td>30,280</td>
</tr>
<tr>
<td></td>
<td>2,325</td>
<td>3,104</td>
<td>97,003</td>
<td>102,432</td>
<td>151,181</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>144,843</td>
</tr>
<tr>
<td></td>
<td>74,731</td>
<td>-</td>
<td>-</td>
<td>74,731</td>
<td>252,417</td>
</tr>
<tr>
<td></td>
<td>1,188</td>
<td>179,767</td>
<td>-</td>
<td>180,955</td>
<td>207,150</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>78,121</td>
<td>943</td>
<td>79,064</td>
<td>217,523</td>
</tr>
<tr>
<td></td>
<td>11,143</td>
<td>26,200</td>
<td>37,825</td>
<td>75,168</td>
<td>110,495</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>55,063</td>
</tr>
<tr>
<td></td>
<td>31,168</td>
<td>62,733</td>
<td>11,840</td>
<td>105,741</td>
<td>220,261</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>70,182</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>17,872</td>
</tr>
<tr>
<td></td>
<td>2,753,260</td>
<td>4,252,416</td>
<td>2,237,045</td>
<td>9,242,721</td>
<td>31,762,975</td>
</tr>
<tr>
<td></td>
<td>(1,914,892)</td>
<td>(2,957,555)</td>
<td>-</td>
<td>(4,872,447)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(50,288)</td>
<td>(70,566)</td>
<td>4,891</td>
<td>(115,963)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$788,080</td>
<td>$1,224,295</td>
<td>$2,241,936</td>
<td>$4,254,311</td>
<td>$31,762,975</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td>4%</td>
<td>7%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
1. Organization
Mote Marine Laboratory, Inc. (Laboratory), a nonprofit corporation, operates and maintains a marine and environmental sciences laboratory for the encouragement and development of the study of marine sciences and the advancement of the general knowledge of kindred subjects through education, training, scientific research, exchange of scientific information and dissemination of information to the public. The Laboratory began operations in 1955.

2. Summary of Significant Accounting Policies
Financial Statements
The financial statements and notes are representations of the Laboratory’s management who is responsible for their integrity and objectivity. The accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting
The Laboratory prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates and Assumptions
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates and assumptions.

Accounts Receivable
Accounts receivable consist primarily of amounts due from program fees and grants receivable. A significant portion of grants receivable are research grants.

Substantially all research grants are cost reimbursement grants. Research grants receivable consists of billed and unbilled costs incurred on research contracts. Due to the nature of the grants, management considers them to be collectible and no allowance has been established. These amounts are included in accounts receivable on the statements of financial position.

Based on the Laboratory’s collection history, management believes no allowance for uncollectible amounts is necessary.

Bequest Receivable
Bequests are recorded as support when the amount to be received can be reasonably estimated as provided by the executor of the estate.

Promises to Give
Promises to give are recorded as support when the donor’s commitment has been received. Promises to give due in more than one year are reflected at the present value of estimated future cash flows using an appropriate discount rate in the year promised.
2. Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are stated at cost, if purchased, or fair market value at the date of gift, if donated.

Depreciation is provided over the estimated useful lives of the assets using the straight-line half-year method. Estimated useful lives are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles</td>
<td>3</td>
</tr>
<tr>
<td>Vessels</td>
<td>5</td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>5 - 40</td>
</tr>
<tr>
<td>Furniture, fixtures and exhibits</td>
<td>5 - 10</td>
</tr>
<tr>
<td>Laboratory equipment</td>
<td>5 - 20</td>
</tr>
<tr>
<td>Trailers</td>
<td>5 - 10</td>
</tr>
</tbody>
</table>

The Laboratory capitalizes all fixed asset purchases or donations with an estimated useful life of greater than one year and a cost or fair market value of $5,000 or greater.

Revenue Recognition

Revenue associated with research grants or contracts is generally recognized as related costs are incurred. Membership revenue is recognized ratably throughout the membership year.

All contributions are considered to be available for use without donor restriction unless specifically restricted by the donor. Contributions which are designated by the donor to be used in future periods, or for specific purposes, are recorded as net assets with donor restrictions. When the purpose of the restriction is accomplished, or passage of time has occurred, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Gifts of cash restricted for the purpose of acquiring or constructing long-lived assets are recorded as net assets with donor restrictions until the long-lived assets are acquired or constructed at which time the net assets are released from the restriction and reclassified as net assets without donor restrictions. Any conditional gifts for which the conditions are not met at year-end are recorded as refundable advances.

Patents

Patents are stated at the cost to acquire. Amortization is provided for using the straight-line method over the estimated useful life of ten years.

Contributed Services and Nonfinancial Assets

A substantial number of volunteers have made significant contributions of their time to the operations of the Laboratory. The amount of volunteer hours contributed to the Laboratory during the years ended September 30, 2023 and 2022 were 159,796 and 152,911 hours, respectively. The estimated value of these donated services has not been recorded in the accompanying financial statements because it does not meet the criteria for recognition under generally accepted accounting principles.

However, management estimates the fair value of these services contributed to the Laboratory during the years ended September 30, 2023 and 2022 amounted to $5,081,514 and $4,579,692, respectively. These estimates are based on an article published in the Nonprofit Times that estimates volunteer time to be worth $31.80 and $29.95 per hour in 2023 and 2022, respectively, according to the Independent Sector, a Washington D.C. based coalition of nonprofits and foundations.
2. Summary of Significant Accounting Policies (Continued)

Contributed Services and Nonfinancial Assets (Continued)

Contributed nonfinancial assets are recognized at their estimated fair value when they create or enhance nonfinancial assets, they require specialized skills that would need to be purchased if they were not donated, or they are nonfinancial assets which are directed by the Laboratory for its benefit and have been provided at no cost. Amounts are recorded at their estimated fair value at the date of donation using published rates and prices. Contributed nonfinancial assets for the years ended September 30, 2023 and 2022 totaled $48,879 and $0, respectively, and is included in construction in progress on the statements of financial position.

Donated property and vessels, which are not classified by management for use by the Laboratory, are recorded as assets held for sale. The carrying value of such assets is adjusted to the lower of fair market value or the recorded value at the date of gift in order to more closely reflect the net realizable value.

Advertising and Promotion

Advertising and promotion costs are expensed as incurred. Advertising and promotion expense for the years ended September 30, 2023 and 2022 totaled $523,869 and $494,497, respectively.

Income Tax Status

The Laboratory is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Under the Income Taxes topic of the FASB Accounting Standards Codification, the Laboratory has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Laboratory.

The Laboratory files income tax returns in the U.S. federal jurisdiction and the State of Florida. The tax periods open to examination by the major taxing jurisdictions to which the Laboratory is subject include fiscal years ended September 30, 2020 through September 30, 2023.

Financial Instruments Not Measured at Fair Value

Certain of the Laboratory’s financial instruments are not measured at fair value on a recurring basis but nevertheless certain financial instruments are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include cash and cash equivalents, accounts receivable, due from Mote Marine Foundation, Inc., prepaid expenses and other assets, accounts payable, accrued payroll, memberships relating to future periods, funds advanced on research programs, deferred revenue and deferred compensation payable.

Overhead Allocation

Overhead is allocated to research programs at a rate established with the cognizant federal agency, The Department of Commerce and National Oceanic and Atmospheric Administration. Certain research contracts limit the amount of reimbursement for overhead expenses to a rate specified in the individual contracts.
2. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services that benefited. The expenses that are allocated include salaries, benefits, payroll taxes, depreciation, and other expenses for services which are allocated on the basis of estimated time and effort.

Cash and Cash Equivalents

Cash on hand and highly liquid investments with a maturity of three months or less at date of acquisition are considered to be cash and cash equivalents. Cash restricted for endowment and included as cash and cash equivalents in the financial statements amounted to $584,650 and $573,290 as of September 30, 2023 and 2022, respectively.

Beneficial Interest in the Net Assets of Mote Marine Foundation, Inc.

The Laboratory follows the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification. The Not-for-Profit Entities Topic establishes standards for transactions in which a donor makes a contribution to a not-for-profit organization (the recipient) that agrees to transfer those assets to another entity (the beneficiary). The statement requires that, if the specified beneficiary is financially interrelated to the recipient organization, the beneficiary must recognize its interest in the net assets of the recipient organization. As presented in the financial statements, the Laboratory is financially interrelated to Mote Marine Foundation, Inc. and therefore, is required to report its beneficial interest in the net assets of Mote Marine Foundation, Inc.

Deferred Revenue

The Laboratory recognizes as deferred revenue payments received in advance for Laboratory obligations which have not yet been performed. Revenue is recognized as the Laboratory performs those obligations.

Reclassifications

To facilitate comparison of financial data, certain amounts in the 2022 financial statements have been reclassified to conform to the 2023 reporting presentation. Such reclassifications had no effect on the change in net assets previously reported.

Adoption of New Accounting Pronouncement

In February 2016, the FASB issued ASC Topic 842, Leases, to increase transparency and comparability among organizations related to their leasing arrangements. The Laboratory adopted Topic 842 on October 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirements to restate the prior-period financial statements. The Laboratory made an accounting policy election under Topic 842 not to recognize right-of-use assets and liabilities for leases with a term of 12 months or less. Topic 842 did not have an impact on the Laboratory’s financial statements.
3. Liquidity and Availability

Financial assets available within one year of the statement of financial position date for general expenditures are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$12,541,540</td>
<td>$15,353,772</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>4,967,920</td>
<td>4,919,837</td>
</tr>
<tr>
<td>Promises to give, net – current portion</td>
<td>4,399,927</td>
<td>3,994,892</td>
</tr>
<tr>
<td>Due from Mote Marine Foundation, Inc.</td>
<td>449,892</td>
<td>470,049</td>
</tr>
<tr>
<td>Beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>18,589,544</td>
<td>16,481,634</td>
</tr>
<tr>
<td>Total financial assets available</td>
<td>40,948,823</td>
<td>41,220,184</td>
</tr>
</tbody>
</table>

Less: Amounts unavailable for general expenditures within one year due to:

- Restricted by donors with purpose and time restrictions: (18,145,227) (20,664,511)
- Restricted by donors in perpetuity: (10,049,097) (10,047,490)

Total amounts unavailable for general expenditures within one year: (28,194,324) (30,712,001)

Less: Amounts unavailable to management without Board approval:

- Board designated for Mote SEA project: (390,818) (390,818)

Total financial assets available to management for general expenditure within one year: $12,363,681 $10,117,365

The Laboratory manages its liquid assets in accordance with regular budgeting processes developed through the coordinated efforts of management and the Board of Trustees. Monthly reporting by management to those charged with governance ensures the results from operating activities are monitored closely.

The Board of Trustees has designated $390,818 as of September 30, 2023 and 2022, respectively, for the construction of the Mote Science Education Aquarium (Mote SEA). Although the Laboratory does not intend to spend from board designated funds, these amounts could be made available if necessary.

4. Promises to Give

At September 30, 2023 and 2022, the Laboratory held written unconditional promises to give in the amounts of $8,111,846 and $10,146,661, respectively. The promises to give have been restricted by the donors for future projects. Management considers all promises to give to be fully collectible as of September 30, 2023 and 2022, therefore no allowance for uncollectible promises to give has been established.

Promises to give consist of the following as of September 30:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promises to give</td>
<td>$8,111,846</td>
<td>$10,146,661</td>
</tr>
<tr>
<td>Less: discount to net present value (rate of 5%)</td>
<td>(530,527)</td>
<td>(592,611)</td>
</tr>
<tr>
<td>Promises to give, net</td>
<td>7,581,319</td>
<td>9,554,050</td>
</tr>
<tr>
<td>Less amount due in less than one year</td>
<td>4,399,927</td>
<td>3,994,892</td>
</tr>
<tr>
<td>Amount collectible in one to five years</td>
<td>$3,181,392</td>
<td>$5,559,158</td>
</tr>
</tbody>
</table>
5. Accounts Receivable
Accounts receivable consists of the following at September 30:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs billed on research grants and other contracts</td>
<td>$1,331,562</td>
<td>$1,074,397</td>
</tr>
<tr>
<td>Unbilled costs incurred on research grants</td>
<td>3,623,258</td>
<td>3,832,799</td>
</tr>
<tr>
<td>Accounts receivable - other</td>
<td>13,100</td>
<td>12,641</td>
</tr>
<tr>
<td><strong>Total Accounts Receivable</strong></td>
<td><strong>$4,967,920</strong></td>
<td><strong>$4,919,837</strong></td>
</tr>
</tbody>
</table>

During the years ended September 30, 2023 and 2022, the Laboratory had no write-offs of uncollectible accounts receivable.

6. Investments
The Laboratory has a certificate of deposit that earns interest of 3.45% and matures October 24, 2023. As of September 30, 2023, the certificates of deposit totaled $119,840 and are stated at fair value. As of September 30, 2022, the certificates of deposit totaled $119,193 and are stated at fair value. Of these amounts, $118,258 and $93,787 is restricted for endowments as of September 30, 2023 and 2022, respectively. There were no unrealized gains on the certificates of deposit for the years ended September 30, 2023 and 2022, respectively.

The Laboratory had realized gains of $4,447 and realized losses of $14,393 on the sales of investments for the years ended September 30, 2023 and 2022, respectively.

Additionally, assets held at a community foundation during the years ended September 30, 2023 and 2022 incurred unrealized gains of $3,185 and unrealized losses of $121,052, respectively.

7. Property and Equipment
Property and equipment consists of the following as of September 30:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles</td>
<td>$811,885</td>
<td>$678,209</td>
</tr>
<tr>
<td>Vessels</td>
<td>1,937,404</td>
<td>1,838,971</td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>43,420,330</td>
<td>43,017,919</td>
</tr>
<tr>
<td>Furniture, fixtures and exhibits</td>
<td>5,525,686</td>
<td>5,305,515</td>
</tr>
<tr>
<td>Laboratory equipment</td>
<td>11,992,101</td>
<td>10,183,910</td>
</tr>
<tr>
<td>Trailers</td>
<td>148,222</td>
<td>118,663</td>
</tr>
<tr>
<td><strong>Total Property and Equipment</strong></td>
<td><strong>63,835,628</strong></td>
<td><strong>61,143,187</strong></td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>49,564,664</td>
<td>47,079,084</td>
</tr>
<tr>
<td><strong>Total Property and Equipment, less accumulated depreciation</strong></td>
<td>$14,270,964</td>
<td>$14,064,103</td>
</tr>
</tbody>
</table>

Depreciation expense was $2,606,173 and $2,499,729 for the years ended September 30, 2023 and 2022, respectively.

Construction in progress consists of the following at September 30:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mote Science Education Aquarium construction</td>
<td>$70,624,802</td>
<td>$30,280,619</td>
</tr>
<tr>
<td>Aquarium and Laboratory improvements</td>
<td>239,704</td>
<td>58,839</td>
</tr>
<tr>
<td><strong>Total Construction in Progress</strong></td>
<td><strong>$70,864,506</strong></td>
<td><strong>$30,339,458</strong></td>
</tr>
</tbody>
</table>
7. Property and Equipment (Continued)
In accordance with contract provisions, the Laboratory has segregated and identified property and equipment that has been purchased or improved with funds received from government agencies. Title to these assets acquired with government agency funds vests with the Laboratory as long as the Laboratory has a contract with the agency, unless contract terms specify otherwise. Upon contract termination, title to these assets reverts to the agencies. At September 30, 2023 and 2022, property and equipment purchased or improved with funds received from government agencies, net of accumulated depreciation, totaled $334,393 and $209,542, respectively.

8. Patents
During the years ended September 30, 2023 and 2022, the Laboratory incurred costs to maintain certain patents. The costs capitalized and the related amortization provided for is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patents</td>
<td>$226,166</td>
<td>$206,363</td>
</tr>
<tr>
<td>Less: accumulated amortization</td>
<td>$146,243</td>
<td>$127,077</td>
</tr>
<tr>
<td></td>
<td>$79,923</td>
<td>$79,286</td>
</tr>
</tbody>
</table>

No significant residual value is estimated for these patents. Amortization expense for the years ended September 30, 2023 and 2022 totaled $19,166 and $17,872, respectively.

The following table represents the total estimated amortization of patents for the five succeeding years and thereafter ending September 30:

<table>
<thead>
<tr>
<th>Year</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$18,202</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>16,501</td>
<td></td>
</tr>
<tr>
<td>2026</td>
<td>15,538</td>
<td></td>
</tr>
<tr>
<td>2027</td>
<td>8,018</td>
<td></td>
</tr>
<tr>
<td>2028</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td>Thereafter</td>
<td>13,664</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$79,923</td>
<td></td>
</tr>
</tbody>
</table>

9. Long-Term Debt
Notes Payable
Notes payable consists of the following as of September 30:

<table>
<thead>
<tr>
<th>Note Description</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note payable in 180 monthly installments of $17,579 plus interest based on overnight SOFR plus 2.18%, maturing on August 5, 2028 and secured with personal property and promises to give and guaranteed by Mote Marine Foundation, Inc. with a $1,500,000 limitation. Interest rate at September 30, 2023 was 7.58%</td>
<td>$1,459,063</td>
<td>$1,670,012</td>
</tr>
<tr>
<td>Note payable in 60 monthly installments of $427, interest at 4.44% due 2024, secured by vehicle</td>
<td>4,234</td>
<td>9,048</td>
</tr>
<tr>
<td>Note payable in 60 monthly installments of $695, interest at 3.99% due 2024, secured by vehicle</td>
<td>4,112</td>
<td>12,109</td>
</tr>
</tbody>
</table>
9. Long-Term Debt (Continued)
Notes Payable (Continued)

<table>
<thead>
<tr>
<th>Note payable in 119 monthly installments of $13,668 plus 4.2% interest, with final payment of $1,348,395 due on October 1, 2028, secured by mortgage on real property located in Sarasota County.</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note payable in 119 monthly installments of $13,668 plus 4.2% interest, with final payment of $1,348,395 due on October 1, 2028, secured by mortgage on real property located in Sarasota County.</td>
<td>1,823,983</td>
<td>1,908,383</td>
</tr>
<tr>
<td>Note payable annually at $200,000. A final balloon payment is due July 11, 2027. Secured by mortgage on real property located in Monroe County.</td>
<td>1,440,000</td>
<td>1,640,000</td>
</tr>
<tr>
<td>Note payable for insurance premiums financed by a third party. The note is payable in 22 installments of $63,845, which include principal and interest at 3.99%, due in 2023. Note was paid in full during the year ended September 30, 2023.</td>
<td>-</td>
<td>226,816</td>
</tr>
<tr>
<td></td>
<td>4,731,392</td>
<td>5,466,368</td>
</tr>
<tr>
<td>Less current portion</td>
<td>508,402</td>
<td>737,698</td>
</tr>
<tr>
<td>Non-current portion</td>
<td>$ 4,222,990</td>
<td>$ 4,728,670</td>
</tr>
</tbody>
</table>

Interest expense incurred under these notes payable totaled $185,113 and $172,685 for the years ended September 30, 2023 and 2022, respectively.

Lines of Credit
Pursuant to loan agreements with two banks, the Laboratory has a revolving line of credit of $1,500,000 with each bank.

The first bank’s revolving line of credit had a due date of November 11, 2022 and was paid in full during the year ended September 30, 2023. Interest is charged at the bank’s prime rate less a margin of 1.25% with a 0% floor and is payable monthly. At September 30, 2023 and 2022, borrowings outstanding under this line of credit, secured by promises to give and accounts receivable of the Laboratory, amounted to $0 and $1,212,647, respectively. This line of credit was not renewed and is no longer open.

The second bank’s revolving line of credit was renewed on April 26, 2023 and is due on demand. Interest is charged at SOFR plus a margin of 2.50%, payable monthly, and is guaranteed by Mote Marine Foundation, Inc. There were no borrowings outstanding at September 30, 2023 and 2022.

The Laboratory also has a line of credit of $185,000 from Sarasota-Manatee Airport Authority. The loan represents advanced funding for the improvements to the Airport Aquarium and has no expiration date or interest rate and will be repaid with any funds raised associated with the Airport Aquarium. At September 30, 2023 and 2022, borrowings outstanding totaled $185,000.

During the year ended September 30, 2023, the Laboratory obtained an additional line of credit with a maturity date of December 31, 2027. Interest is 0% for the first 24 months, from the date of the first disbursement of funds. Commencing on the 25th month, the outstanding balance will bear interest at 8%, which increases to 16% on the first day of the 40th month. Upon completion of Mote SEA, $125,000 of principal will be due monthly, or $1,500,000 annually, until maturity, at which point all principal and interest are due. At September 30, 2023 and 2022, borrowings outstanding under this line of credit amounted to $16,041,314 and $0, respectively.
9. Long-Term Debt (Continued)
Lines of Credit (Continued)
The multiple lines of credit outstanding at September 30, 2023 and 2022 totaled $16,226,314 and $1,397,647, respectively.

Interest expense incurred under these lines of credit totaled $19,088 and $34,465 for the years ended September 30, 2023 and 2022, respectively.

Certain loan agreements described above require that the Laboratory meet certain debt covenant compliance requirements. As of September 30, 2023, the Laboratory was in full compliance with all requirements.

Future Maturities of Long-Term Debt
Aggregate maturities of long-term debt at September 30, are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$508,402</td>
</tr>
<tr>
<td>2025</td>
<td>1,503,873</td>
</tr>
<tr>
<td>2026</td>
<td>2,007,851</td>
</tr>
<tr>
<td>2027</td>
<td>14,053,315</td>
</tr>
<tr>
<td>2028</td>
<td>516,327</td>
</tr>
<tr>
<td>Thereafter</td>
<td>2,367,938</td>
</tr>
<tr>
<td>Total</td>
<td>$20,957,706</td>
</tr>
</tbody>
</table>

10. Net Assets with Donor Restrictions
Net assets with donor restrictions are available for the following purposes as of September 30:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject to expenditure for specific purpose:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Future projects</td>
<td>$4,077,773</td>
<td>$428,448</td>
</tr>
<tr>
<td>Education</td>
<td>191,910</td>
<td>-</td>
</tr>
<tr>
<td>Construction</td>
<td>5,442,689</td>
<td>13,702,459</td>
</tr>
<tr>
<td>Library expenses</td>
<td>-</td>
<td>28,087</td>
</tr>
<tr>
<td>Beneficial interest in net assets of Mote Marine Foundation, Inc.</td>
<td>8,432,855</td>
<td>6,505,517</td>
</tr>
<tr>
<td>Total purpose restrictions</td>
<td>18,145,227</td>
<td>20,664,511</td>
</tr>
<tr>
<td>Perpetual in nature:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural endowment</td>
<td>600,000</td>
<td>600,000</td>
</tr>
<tr>
<td>Keys endowment</td>
<td>12,050</td>
<td>12,050</td>
</tr>
<tr>
<td>Beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>9,437,047</td>
<td>9,435,440</td>
</tr>
<tr>
<td>Total perpetual in nature restrictions</td>
<td>10,049,097</td>
<td>10,047,490</td>
</tr>
<tr>
<td>Total net assets with donor restrictions</td>
<td>$28,194,324</td>
<td>$30,712,001</td>
</tr>
</tbody>
</table>
11. Net Assets Released from Restrictions
Net assets released from donor restriction by incurring expenses satisfying the restricted purposes as of September 30:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aquarium expenses</td>
<td>$37,081</td>
<td>$32,926</td>
</tr>
<tr>
<td>Research expenses</td>
<td>303,639</td>
<td>310,412</td>
</tr>
<tr>
<td>Other</td>
<td>96,267</td>
<td>94,258</td>
</tr>
<tr>
<td>Library</td>
<td>28,087</td>
<td>-</td>
</tr>
<tr>
<td>Education</td>
<td>7,865</td>
<td>-</td>
</tr>
<tr>
<td>Construction</td>
<td>25,601,198</td>
<td>15,243,805</td>
</tr>
<tr>
<td></td>
<td>$26,074,137</td>
<td>$15,681,401</td>
</tr>
</tbody>
</table>

12. Retirement Plan
The Laboratory provides a 403(b) retirement plan. The Laboratory matches employee contributions based on an employee’s length of service and gross salary. Retirement plan expense was $708,216 and $531,442 for the years ended September 30, 2023 and 2022, respectively.

13. Matching Requirements on Governmental Grants
The Laboratory is awarded grants from federal agencies which require matching contributions by the Laboratory. The matching requirements were met or exceeded on completed federal grants during 2023 and 2022.

14. Rental Use Charges
Periodically, certain programs require utilization of vessels, vehicles and equipment provided by the Laboratory. Each program is charged rent, based on use, at a pre-established rental fee that reflects the cost of operating the asset.

15. Financial Instruments with Off-Balance Sheet Risk
The Laboratory maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At any given time, the Laboratory may have cash and investment balances exceeding the insured amount. The Laboratory has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and investments.

16. Related Party Transactions
The Mote Marine Foundation, Inc. (Foundation), a financially interrelated organization, provides support to the Laboratory in the form of grants. For the years ended September 30, 2023 and 2022, the Laboratory received grants from the Foundation in the amount of $361,842 and $465,741, respectively.

Mote Marine Foundation, Inc. is dependent on Laboratory personnel for administration and certain aspects of fund raising.

From time to time, the Laboratory will provide grants, receive donations and pay certain expenses on behalf of the Foundation. As of September 30, 2023 and 2022, the Foundation owed the Laboratory $449,892 and $470,049, respectively.

Certain trustee members are affiliated with organizations that transact with the Laboratory. Trustee members are required to complete conflict of interest disclosure statements and abstain from voting on related issues.
16. Related Party Transactions (Continued)
From time to time, the trustees make promises to give and contributions to the Laboratory.

17. Leased Facility
The Laboratory has a leasehold agreement with a municipality for real property on which the Laboratory has constructed its facilities. The agreement requires the Laboratory to pay the municipality one dollar per year until the agreement expires in the year 2050. The fair market value of the leasehold agreement is not determinable and therefore has not been recorded in the accompanying financial statements.

18. Endowments
The Laboratory’s endowment consists of funds established for several purposes. Its endowment includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. It is typical to establish all endowment funds in Mote Marine Foundation, Inc.

Interpretation of Relevant Law
The Board of Trustees of the endowment has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Laboratory classifies as net assets with donor restrictions in perpetuity (a) the original value of gifts donated to the perpetual endowment and (b) the original value of subsequent gifts to the perpetual endowment.

Endowment Net Asset Composition
As of September 30, 2023, endowment net assets consisted of the following:

<table>
<thead>
<tr>
<th>With Donor Restrictions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor-restricted endowment funds:</td>
<td></td>
</tr>
<tr>
<td>Endowment balance</td>
<td>$ 612,050</td>
</tr>
<tr>
<td>Total donor-restricted endowment funds</td>
<td>$ 612,050</td>
</tr>
</tbody>
</table>

As of September 30, 2022, endowment net assets consisted of the following:

<table>
<thead>
<tr>
<th>With Donor Restrictions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor-restricted endowment funds:</td>
<td></td>
</tr>
<tr>
<td>Endowment balance</td>
<td>$ 612,050</td>
</tr>
<tr>
<td>Total donor-restricted endowment funds</td>
<td>$ 612,050</td>
</tr>
</tbody>
</table>
### 18. Endowments (Continued)

#### Changes in Endowment Net Assets

Changes in endowment net assets for the year ended September 30, 2023 are as follows:

<table>
<thead>
<tr>
<th>With Donor Restrictions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 612,050</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, October 1, 2022</td>
<td>$ 612,050</td>
</tr>
<tr>
<td>Endowment investment return:</td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>154</td>
</tr>
<tr>
<td>Realized and unrealized gains</td>
<td>684</td>
</tr>
<tr>
<td>Total endowment investment return</td>
<td>838</td>
</tr>
<tr>
<td>Appropriation of endowment for expenditures</td>
<td>(838)</td>
</tr>
<tr>
<td>Endowment net assets, September 30, 2023</td>
<td>$ 612,050</td>
</tr>
</tbody>
</table>

Changes in endowment net assets for the year ended September 30, 2022 are as follows:

<table>
<thead>
<tr>
<th>With Donor Restrictions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 612,050</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, October 1, 2021</td>
<td>$ 626,331</td>
</tr>
<tr>
<td>Endowment investment return:</td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>1,522</td>
</tr>
<tr>
<td>Realized and unrealized losses</td>
<td>(2,297)</td>
</tr>
<tr>
<td>Total endowment investment loss</td>
<td>(775)</td>
</tr>
<tr>
<td>Appropriation of endowment for expenditures</td>
<td>(13,506)</td>
</tr>
<tr>
<td>Endowment net assets, September 30, 2022</td>
<td>$ 612,050</td>
</tr>
</tbody>
</table>

#### Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level classified as net assets with donor restrictions that are perpetual in nature. These deficiencies result from unfavorable market fluctuations that occurred shortly after the investment of new contributions of net assets with donor restrictions that are perpetual in nature and continued appropriation for certain programs that was deemed prudent by the Board of Trustees. There were no deficiencies of this nature reported in net assets without donor restrictions as of September 30, 2023 and 2022.

#### Return Objectives and Risk Parameters

The Laboratory has adopted investment policies and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Laboratory must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce a long-term rate of return on assets of to match or exceed the rate of return determined from the sum of the annual distribution percentage, inflation measured by the CPI, and real growth of 1%.

The Cultural Endowment Program has a primary investment constraint to preserve principal along with restrictions on investment instruments, so the Laboratory uses an alternative approved investment policy for this program.
18. Endowments (Continued)
Strategies Employed for Achieving Objectives
To satisfy its long-term rate-of-return objectives, the Laboratory relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Laboratory targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy
The Laboratory has a policy of appropriating for distribution each year 5% percent of its endowment funds average fair value over the period of 12 quarters through the calendar year end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Laboratory considered the long-term expected return on its endowment. Accordingly, over the long term, the Laboratory expects the current spending policy to allow its endowment to grow at an average of 1% percent annually. This is consistent with the Laboratory’s objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. The established policy for the Cultural Endowment Program distributes 100% of current income for use in operating costs for cultural activities expecting no further growth in this endowment.

The Laboratory adopted the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification which provides enhanced guidance for using fair value to measure assets and liabilities and clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the assets or liabilities and establishes a hierarchy that prioritizes the information used to develop those assumptions. The Laboratory has adopted Accounting Standards Update No. 2010-06, Improving Disclosures about Fair Value Measurements, which requires the Laboratory to present fair value measurements separately for each class of assets and liabilities held as of September 30, 2023 and 2022.

The following tables present information about the Laboratory’s assets and liabilities that are measured at fair value on a recurring and non-recurring basis as of September 30, 2023 and 2022, and indicate the fair value hierarchy of the valuation techniques used to determine such fair value. The three levels for measuring fair value are based on the reliability of inputs and are as follows:

Level 1 - quoted market prices in active markets for identical assets or liabilities, such as publicly traded equity securities. This level includes common and preferred stock, cash and money market funds, mutual funds, corporate bonds and bond funds, and government obligations.

Level 2 - inputs, other than quoted prices included in Level 1 that are observable, either directly or indirectly. Such inputs may include quoted prices for similar assets, observable inputs other than quoted prices (interest rates, yield curves, etc.), or inputs derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. The inputs reflect the Laboratory’s assumptions based on the best information available in the circumstance.
## 19. Fair Value of Financial Assets and Liabilities (Continued)

The following sets forth the fair value hierarchy by level for the Laboratory’s assets measured at fair value on a recurring basis as of September 30, 2023:

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>NAV*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>$ 18,779,976</td>
<td>$ 16,003,676</td>
<td>$ 2,776,300</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The following sets forth the fair value hierarchy by level for the Laboratory’s assets measured at fair value on a non-recurring basis as of September 30, 2023:

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>NAV*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>$ 16,181</td>
<td>-</td>
<td>-</td>
<td>$ 16,181</td>
<td>-</td>
</tr>
<tr>
<td>Promises to give</td>
<td>$ 7,581,319</td>
<td>-</td>
<td>-</td>
<td>$ 7,581,319</td>
<td>-</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$ 7,597,500</td>
<td>-</td>
<td>-</td>
<td>$ 7,597,500</td>
<td>-</td>
</tr>
</tbody>
</table>

The following sets forth the fair value hierarchy by level for the Laboratory’s assets measured at fair value on a recurring basis as of September 30, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>NAV*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>$ 16,602,252</td>
<td>$ 14,143,604</td>
<td>$ 2,457,981</td>
<td>-</td>
<td>$ 667</td>
</tr>
</tbody>
</table>

The following sets forth the fair value hierarchy by level for the Laboratory’s assets measured at fair value on a non-recurring basis as of September 30, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>NAV*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficial interest in the net assets of Mote Marine Foundation, Inc.</td>
<td>$ 16,181</td>
<td>-</td>
<td>-</td>
<td>$ 16,181</td>
<td>-</td>
</tr>
<tr>
<td>Promises to give</td>
<td>$ 9,554,050</td>
<td>-</td>
<td>-</td>
<td>$ 9,554,050</td>
<td>-</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$ 9,570,231</td>
<td>-</td>
<td>-</td>
<td>$ 9,570,231</td>
<td>-</td>
</tr>
</tbody>
</table>

(*) Certain investments of Mote Marine Foundation, Inc. that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.
20. Commitments
At September 30, 2023, the Laboratory had commitments of approximately $70,416,473 for construction and acquisition of property and equipment, all of which is related to the Mote SEA project.

21. Subsequent Events
The Laboratory has evaluated all events subsequent to the statement of financial position date of September 30, 2023 and through the date these financial statements were available to be issued, February 22, 2024, and have determined that there are no subsequent events that require disclosure.
Supplemental Information
## Mote Marine Laboratory, Inc.
### Schedule of Expenditures of Federal Awards and State Financial Assistance
### Year Ended September 30, 2023

<table>
<thead>
<tr>
<th>Grantor</th>
<th>Assistance Listing # or CSFA#</th>
<th>Pass-through or Entity Identification or Grant Number</th>
<th>Total Expenditures</th>
<th>Transfer to Subrecipients</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Federal Contracts and Grants</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>RESEARCH AND DEVELOPMENT CLUSTER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Department of Agriculture</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural Research Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural Research Basic and Applied Research</td>
<td>10.001</td>
<td>59-6034-9-007</td>
<td>$13,118</td>
<td>$13,118</td>
</tr>
<tr>
<td>Grants for Agricultural Research, Special Research Grants</td>
<td>10.200</td>
<td>2023-70007-40205</td>
<td>16,436</td>
<td>16,436</td>
</tr>
<tr>
<td>Agriculture and Food Research Initiative (AFRI)</td>
<td>10.310</td>
<td>2021-67017-33829</td>
<td>114,838</td>
<td>114,838</td>
</tr>
<tr>
<td><strong>Department of Commerce</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Oceanic and Atmospheric Administration (NOAA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ocean Exploration</td>
<td>11.011</td>
<td>NA180AR0110291</td>
<td>1,057</td>
<td>1,057</td>
</tr>
<tr>
<td>Integrated Ocean Observing System (IOOS)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through Southeast Coastal Ocean Observing Regional Association</td>
<td>11.012</td>
<td>NA23NOS0120081</td>
<td>748</td>
<td>-</td>
</tr>
<tr>
<td>Passed through University of Louisiana at Lafayette</td>
<td>11.012</td>
<td>NA21NOS0120092</td>
<td>9,861</td>
<td>-</td>
</tr>
<tr>
<td>Passed through Texas A&amp;M University</td>
<td>11.012</td>
<td>NA21NOS0120092</td>
<td>121,100</td>
<td>-</td>
</tr>
<tr>
<td>Passed through Southeast Coastal Ocean Observing Regional Association</td>
<td>11.012</td>
<td>NA21NOS0120097</td>
<td>11,685</td>
<td>-</td>
</tr>
<tr>
<td>Passed through University of South Carolina</td>
<td>11.012</td>
<td>NA21NOS0120097</td>
<td>9,550</td>
<td>152,944</td>
</tr>
<tr>
<td>Ocean Acidification Program (OAP)</td>
<td>11.017</td>
<td>NA22OAR0170209</td>
<td>7,108</td>
<td>7,108</td>
</tr>
<tr>
<td>NOAA Small Business Innovation Research (SBIR) Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through SC Sea Grant Consortium</td>
<td>11.021</td>
<td>NA22OAR4170114</td>
<td>7,200</td>
<td>-</td>
</tr>
<tr>
<td>Passed through University of Central Florida</td>
<td>11.021</td>
<td>NA21OAR0210492</td>
<td>1,692</td>
<td>89</td>
</tr>
<tr>
<td>Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program</td>
<td>11.427</td>
<td>NA20NMF4270199</td>
<td>95,937</td>
<td>-</td>
</tr>
<tr>
<td>Marine Fisheries Initiative</td>
<td>11.433</td>
<td>NA15NMF4330152</td>
<td>9,715</td>
<td>9,715</td>
</tr>
<tr>
<td>Marine Mammal Data Program</td>
<td>11.439</td>
<td>NA22NMF4390284</td>
<td>24,952</td>
<td>-</td>
</tr>
<tr>
<td>Passed through National Marine Sanctuary Foundation</td>
<td>11.439</td>
<td>NA18NMF4390064</td>
<td>2,355</td>
<td>-</td>
</tr>
<tr>
<td>Passed through College of the Florida Keys</td>
<td>11.439</td>
<td>NA20NMF4390178</td>
<td>4,589</td>
<td>-</td>
</tr>
<tr>
<td>Passed through National Marine Sanctuary Foundation</td>
<td>11.439</td>
<td>NA20NMF4390106</td>
<td>13,643</td>
<td>-</td>
</tr>
<tr>
<td>Unallied Management Projects</td>
<td>11.454</td>
<td>NA21NMF4540281</td>
<td>115,113</td>
<td>115,113</td>
</tr>
<tr>
<td>Habitat Conservation</td>
<td>11.463</td>
<td>NA19NMF4630259</td>
<td>611,056</td>
<td>-</td>
</tr>
<tr>
<td>Passed through National Marine Sanctuary Foundation</td>
<td>11.463</td>
<td>NA20NMF4630328</td>
<td>35,434</td>
<td>-</td>
</tr>
<tr>
<td>Passed through College of the Florida Keys</td>
<td>11.463</td>
<td>NA20NMF4630328</td>
<td>209</td>
<td>646,699</td>
</tr>
<tr>
<td>Congressionally Identified Awards and Projects</td>
<td>11.469</td>
<td>NA23NMF4690433</td>
<td>6,757</td>
<td>6,757</td>
</tr>
<tr>
<td>Unallied Science Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through National Fish and Wildlife Foundation</td>
<td>11.472</td>
<td>NA22NMF4720362</td>
<td>10,012</td>
<td>-</td>
</tr>
<tr>
<td>Passed through National Fish and Wildlife Foundation</td>
<td>11.472</td>
<td>NA20NMF4720265</td>
<td>13,580</td>
<td>-</td>
</tr>
<tr>
<td>Passed through National Fish and Wildlife Foundation</td>
<td>11.472</td>
<td>NA21NMF4720530</td>
<td>189,499</td>
<td>43,917</td>
</tr>
<tr>
<td>Passed through Florida Fish &amp; Wildlife Conservation Commission</td>
<td>11.472</td>
<td>NA15NMF4720018</td>
<td>54,625</td>
<td>401,496</td>
</tr>
<tr>
<td>Office for Coastal Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through National Fish and Wildlife Foundation</td>
<td>11.473</td>
<td>NABNOS5473020</td>
<td>137,057</td>
<td>-</td>
</tr>
<tr>
<td>Passed through National Marine Sanctuary Foundation</td>
<td>11.473</td>
<td>NA20NOS5473007</td>
<td>779,790</td>
<td>916,847</td>
</tr>
<tr>
<td>Center for Sponsored Coastal Ocean Research Coastal Ocean Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through University of Maryland Center Environmental Science</td>
<td>11.478</td>
<td>NA22NOS5470172</td>
<td>166,447</td>
<td>-</td>
</tr>
<tr>
<td>Passed through Woods Hole Oceanographic Institution</td>
<td>11.478</td>
<td>NA21NOS5470183</td>
<td>1,052,647</td>
<td>826,329</td>
</tr>
<tr>
<td>Coral Reef Conservation Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through University of Southern California</td>
<td>11.482</td>
<td>NA21NMF820300</td>
<td>28,632</td>
<td>28,632</td>
</tr>
<tr>
<td><strong>Environmental Protection Agency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Geographic Programs - South Florida Geographic Initiatives Program</td>
<td>66.484</td>
<td>0D202722</td>
<td>58,972</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>66.484</td>
<td>0D242723</td>
<td>16,447</td>
<td>75,419</td>
</tr>
</tbody>
</table>
### Federal Contracts and Grants (Continued)

#### RESEARCH AND DEVELOPMENT CLUSTER (Continued)

<table>
<thead>
<tr>
<th>Grantor</th>
<th>Assistance Listing # or CSFA#</th>
<th>Pass-through Entity Identification or Grant Number</th>
<th>Total Expenditures</th>
<th>Transfer to Subrecipients</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Science Foundation</td>
<td>47.050 1923926</td>
<td>211,113</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>47.050 2050892</td>
<td>134,365</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>47.050 2143655</td>
<td>40,830</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>47.050 2309081</td>
<td>55,830</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>47.050 2325316</td>
<td>1,325</td>
<td>443,463</td>
<td></td>
</tr>
<tr>
<td>Biological Sciences</td>
<td>47.074 2222273</td>
<td>36,679</td>
<td>36,679</td>
<td>-</td>
</tr>
<tr>
<td>STEM Education (formerly Education and Human Resources)</td>
<td>47.076 1922351</td>
<td>244,707</td>
<td>244,707</td>
<td>2,679</td>
</tr>
<tr>
<td>U.S. Department of Defense</td>
<td>12.910 AWD - 001612</td>
<td>100,872</td>
<td>100,872</td>
<td>-</td>
</tr>
<tr>
<td>Department of the Interior</td>
<td>15.683 F22AP03071-00</td>
<td>96,600</td>
<td>96,600</td>
<td>-</td>
</tr>
<tr>
<td>National Park Service</td>
<td>15.954 P19AC01005</td>
<td>5,533</td>
<td>5,533</td>
<td>-</td>
</tr>
<tr>
<td>Department of Treasury</td>
<td>21.015 RDCGR170068</td>
<td>5,407</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>21.015 8-RCEGR020005-01-02</td>
<td>121,024</td>
<td>126,431</td>
<td>-</td>
</tr>
<tr>
<td>Department of State</td>
<td>19.700 SIS-70017G33038</td>
<td>188,531</td>
<td>188,531</td>
<td>101,384</td>
</tr>
<tr>
<td>TOTAL RESEARCH AND DEVELOPMENT CLUSTER</td>
<td></td>
<td>$ 5,465,711</td>
<td>$ 999,609</td>
<td></td>
</tr>
<tr>
<td>Total Federal Contracts and Grants</td>
<td></td>
<td>$ 5,465,711</td>
<td>$ 999,609</td>
<td></td>
</tr>
</tbody>
</table>

#### State Contracts and Grants

<table>
<thead>
<tr>
<th>Grantor</th>
<th>Assistance Listing # or CSFA#</th>
<th>Expenditures</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida Fish &amp; Wildlife Conservation Commission</td>
<td>77.010 15003</td>
<td>11,117</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>77.010 19153</td>
<td>3,422,278</td>
<td>874,235</td>
</tr>
<tr>
<td></td>
<td>77.010 20034</td>
<td>1,016,197</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>77.010 22122</td>
<td>124,948</td>
<td>5,074,540</td>
</tr>
<tr>
<td>Marine Fisheries Assessment</td>
<td>77.023 20317</td>
<td>285,967</td>
<td>285,967</td>
</tr>
<tr>
<td>Mote Marine Laboratory Coral Reef Restoration Program</td>
<td>77.036 21069</td>
<td>979,836</td>
<td>979,836</td>
</tr>
<tr>
<td>Monitoring and Support Coral Restoration</td>
<td>77.044 21354</td>
<td>38,554</td>
<td>38,554</td>
</tr>
<tr>
<td>Department of Highway Safety &amp; Motor Vehicles</td>
<td>76.069 POR</td>
<td>1,569,863</td>
<td>1,569,863</td>
</tr>
<tr>
<td>Sea Turtle License Plate Project</td>
<td>76.070 22-003R</td>
<td>2,585</td>
<td>2,585</td>
</tr>
<tr>
<td>Department of Environmental Protection</td>
<td>37.107 C2002</td>
<td>938,409</td>
<td>938,409</td>
</tr>
<tr>
<td>Department of Education and Commissioner of Education</td>
<td>48.152 417-96520-3D001</td>
<td>5,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td>TOTAL State Contracts and Grants</td>
<td></td>
<td>$ 13,389,754</td>
<td>$ 1,625,015</td>
</tr>
<tr>
<td>TOTAL Federal and State Contracts and Grants</td>
<td></td>
<td>$ 18,855,465</td>
<td>$ 2,624,624</td>
</tr>
</tbody>
</table>
Mote Marine Laboratory, Inc.
Notes to the Schedule of Expenditures of Federal Awards and
State Financial Assistance
Year Ended September 30, 2023

1. Basis of Presentation
The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award and state financial assistance activity of Mote Marine Laboratory, Inc. under programs of the federal government and State of Florida for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.650, Rules of the Auditor General of the State of Florida. Because the Schedule presents only a selected portion of the operations of Mote Marine Laboratory, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Mote Marine Laboratory, Inc.

2. Summary of Significant Accounting Policies
Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Election
Mote Marine Laboratory, Inc. has not elected to use the 10% de minimis cost rate as allowed under the Uniform Guidance, and has a federally negotiated rate with its cognizant agency.
Contract Compliance
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Independent Auditor’s Report

The Board of Trustees
Mote Marine Laboratory, Inc.
Sarasota, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Mote Marine Laboratory Inc. (Laboratory), which comprise the statement of financial position as of September 30, 2023, the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 22, 2024.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Laboratory’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Laboratory’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Laboratory’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.
Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Laboratory’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sarasota, Florida
February 22, 2024
Report on Compliance for Each Major Federal Program and State Project; and Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.650, Rules of the Auditor General of the State of Florida

Independent Auditor’s Report

The Board of Trustees
Mote Marine Laboratory, Inc.
Sarasota, Florida

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

Opinion on Each Major Federal Program and State Financial Assistance Project

We have audited Mote Marine Laboratory, Inc.’s (Laboratory) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the requirements described in the State of Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the Laboratory’s major federal programs and state financial assistance projects for the year ended September 30, 2023. The Laboratory’s major federal programs and state financial assistance projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Laboratory complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and State Financial Assistance Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General of the State of Florida. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Laboratory and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state financial assistance project. Our audit does not provide a legal determination of the Laboratory’s compliance with the compliance requirements referred to above.
Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Laboratory’s federal programs and state financial assistance projects.

Auditor’s Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Laboratory’s compliance based on our audit. 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, Government Auditing Standards, the Uniform Guidance, and Chapter 10.650 Rules of the Auditor General of the State of Florida, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Laboratory’s compliance with the requirements of each major federal program and state financial assistance project as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, the Uniform Guidance, and Chapter 10.650 Rules of the Auditor General of the State of Florida we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Laboratory’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Laboratory’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Laboratory’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state financial assistance project on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.
Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the Chapter 10.650, Rules of the Auditor General of the State of Florida. Accordingly, this report is not suitable for any other purpose.

Sarasota, Florida
February 22, 2024
Section I - Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: \underline{Unmodified}

Internal control over financial reporting:

- Material weakness(es) identified? \underline{yes} \underline{x} \underline{no}
- Significant deficiency(ies) identified? \underline{yes} \underline{x} \underline{none reported}

Noncompliance material to financial statements noted? \underline{yes} \underline{x} \underline{no}

Federal and State Awards

Internal control over major programs and projects:

- Material weakness(es) identified? \underline{yes} \underline{x} \underline{no}
- Significant deficiency(ies) identified? \underline{yes} \underline{x} \underline{none reported}

Type of auditor’s report issued on compliance for major programs and projects: \underline{Unmodified}

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) and the provisions of the Florida Single Audit Act in accordance with Chapter 10.650 of the Rules of the Auditor General \underline{yes} \underline{x} \underline{no}
## Section I - Summary of Auditor’s Results (Continued)

Identification of major programs and projects:

<table>
<thead>
<tr>
<th>CFDA Numbers</th>
<th>Name of Federal Program or Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.001</td>
<td>Research and Development Cluster:</td>
</tr>
<tr>
<td></td>
<td>Agricultural Research Basic and Applied Research</td>
</tr>
<tr>
<td>10.200</td>
<td>Agricultural Research, Special Research Grants</td>
</tr>
<tr>
<td>10.310</td>
<td>USDA/NIFA – USDA National Institute of Food and Agriculture</td>
</tr>
<tr>
<td>11.011</td>
<td>Ocean Exploration</td>
</tr>
<tr>
<td>11.012</td>
<td>Integrated Ocean Observing System (IOOS)</td>
</tr>
<tr>
<td>11.017</td>
<td>Ocean Acidification Toolkits for Educators</td>
</tr>
<tr>
<td>11.021</td>
<td>Small Business Innovation Research</td>
</tr>
<tr>
<td>11.427</td>
<td>Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program</td>
</tr>
<tr>
<td>11.433</td>
<td>Marine Fisheries Initiative</td>
</tr>
<tr>
<td>11.439</td>
<td>Marine Mammal Data Program</td>
</tr>
<tr>
<td>11.454</td>
<td>Unallied Management Projects</td>
</tr>
<tr>
<td>11.463</td>
<td>Habitat Conservation</td>
</tr>
<tr>
<td>11.469</td>
<td>Congressionally Identified Awards and Projects</td>
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<tr>
<td>11.472</td>
<td>Unallied Science Program</td>
</tr>
<tr>
<td>11.473</td>
<td>Office for Coastal Management</td>
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<tr>
<td>11.478</td>
<td>Center for Sponsored Coastal Ocean Research Coastal Ocean Program</td>
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<tr>
<td>11.482</td>
<td>Coral Reef Conservation Program and Restoration Center</td>
</tr>
<tr>
<td>66.484</td>
<td>Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements – Section 104(b)(3) of the Clean Water Act</td>
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<tr>
<td>47.050</td>
<td>Geosciences</td>
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<tr>
<td>47.074</td>
<td>Biological Sciences</td>
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<tr>
<td>47.076</td>
<td>Education and Human Resources</td>
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<tr>
<td>12.910</td>
<td>Research and Technology Development</td>
</tr>
<tr>
<td>15.683</td>
<td>Prescott Marine Mammal Rescue Assistance</td>
</tr>
<tr>
<td>15.954</td>
<td>National Park Service Conservation, Protection, Outreach, and Education</td>
</tr>
<tr>
<td>21.015</td>
<td>Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States</td>
</tr>
<tr>
<td>19.700</td>
<td>General Department of State Assistance</td>
</tr>
</tbody>
</table>
Mote Marine Laboratory, Inc.
Schedule of Findings and Questioned Costs (Continued)
Year Ended September 30, 2023

Section I - Summary of Auditor's Results (Continued)

<table>
<thead>
<tr>
<th>CSFA Numbers</th>
<th>Name of State Projects</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>77.010</td>
<td>Cooperative Red Tide Research Program-Reduction of Harmful Impact from Red Tide</td>
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<tr>
<td>37.107</td>
<td>Coral Reef Protection and Restoration Grant</td>
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</tr>
<tr>
<td>48.152</td>
<td>K-15--FCO Facility--Repairs Maintenance and Construction</td>
<td></td>
</tr>
</tbody>
</table>

Dollar threshold used to distinguish between type A and type B Federal programs: $ 750,000
Dollar threshold used to distinguish between type A and type B State projects: $ 750,000

Auditee qualified as low-risk auditee?  
__x__ yes  
____ no

Section II - Financial Statement Findings

None

Section III - Federal and State Award Findings and Questioned Costs

None

Section IV - Summary Schedule of Prior Audit Findings and Questioned Costs

No prior audit findings or questioned costs to be addressed

Section V - Other

No management letter is required because there were no findings to be reported in a management letter as required by Section 215.97 (9)(f) and 215.97 (10)(d) of the Florida Statutes, Auditor General Rule 10.654 (1)(e) or 10.656 (3)(e).