



**OCEARCH**<sup>TM</sup> ORG  
EDUCATE INSPIRE ENABLE

Annual Report – 2015 | An In-Depth Review of the Year





## VISION

Chris Fischer founded OCEARCH with a vision of building a collaborative, open-source model of unprecedented scale to combat the 100M per year unsustainable loss rate for apex predators who hold the key to the health of the ocean. OCEARCH has donated 23 expeditions to over 100 researchers from 50 institutions worldwide as of December 2015, providing otherwise unattainable safe access to mature sharks representing multiple threatened species. That access is enabling a proliferation of open source data on the movement, biology, and health of sharks; filling knowledge gaps critical to protecting them at their most vulnerable locations and life stages while the world participates on their mobile device and school children engage in the classroom.



An underwater photograph of a tiger shark resting on a wooden platform. A person's legs are visible standing on the platform next to the shark. In the background, a sign with the word 'COSTA' and a logo is visible. The scene is set in clear blue water.

# TABLE OF CONTENTS

OCEARCH – Annual Report – 2015

Founder's Letter	Pg 4
Expeditions & Outreach	Pg 6
Board of Directors	Pg 8
Education & Awareness	Pg 10
Financial Summary	Pg 11
Audited Financial Statements	Pg 12



# FOUNDER'S LETTER

G. Chris Fischer | Founding Chairman







It's been a pivotal year for sharks and the ocean. While the research and conservation community has known it for some time, in 2015 sharks moved front and center - in terms of public awareness that many are keystone species under threat of extinction.

**"We need to do more, it's going to take all of us to ensure a future for our ocean and our children who depend on it in so many ways."**

It's clear that solutions are needed to fill data gaps, drive education & awareness, reduce demand, and create policy for sound resource management. Making these solutions happen, at the rate needed, requires a collaborative, open-sourced approach. Generating new data is critical to success, and we need to get the world engaged in science.

In 2015 we traveled to Australia and the Gulf of Mexico to fill data gaps. Along the way, we drove education & measurable awareness (through school & community presentations, aquarium partnerships, and social media campaigns) across two dramatically different cultures, while engaging 21 scientists from 14 institutions.

Our educational efforts in 2015 were remarkable, thanks to our partner Landry's, our internal team and an incredible team of volunteer educators. A multi-year partnership was signed with Discovery Education, opening the doors to over 30M students and over 50% of the schools in the U.S.

The Global Shark Tracker App was selected among the top 10 science apps of 2015 by the BBC's Focus Magazine. Thanks to a partnership with Xavient, we were able to enhance features and improve the user experience.

Costa Sunglasses announced their new and innovative Kick Plastic campaign, which aligned perfectly with our charter of working long term to address marine debris.

At OCEARCH, we have a passion for the ocean and we hope you will continue to be part of the dedicated OCEARCH family in our efforts to Educate, Inspire, and Enable. Through continued funding, data-driven research, collaboration, and real-time open-sourced education, we have the ability to affect change and ensure the future balance of our oceans. We need to do more, it's going to take all of us to ensure a future for our ocean and our children who depend on it in so many ways. In 2016, you will find us working to support the great scientists of the Eastern U.S. seaboard, starting with Florida and working our way up to New York for our very first juvenile white shark expedition.

With gratitude,

**G. Chris Fischer**

Founding Chairman Expedition Leader



# EXPEDITIONS & OUTREACH

Brief Review of Where We've Come & Where We're Going

Research expeditions are conducted worldwide aboard the M/V OCEARCH, which serves as both a mother ship and an at-sea laboratory. Utilizing a custom 75,000 lb. capacity hydraulic platform designed to safely lift mature sharks for access by a multi-disciplined research team, a series of 12 studies are conducted in approximately 15 minutes on a live mature shark. Powered by five Cat engines, the M/V OCEARCH is capable of Global Circumnavigation. As of December 31, 2015, over 100 researchers from more than 50 international and national institutions have collaborated with OCEARCH, with over 50 research papers completed or in process of completion.

During 2015, the OCEARCH expeditions and outreach focused on Australia and the Gulf of Mexico. Though OCEARCH's mission is to enable local scientists to perform crucial fieldwork needed to increase the body of knowledge of the ocean's apex predators, OCEARCH is beginning to discover the potential reach of their project, beyond sharks—and even beyond the sea.

## IN THE NEWS

In 2015, OCEARCH was featured by a host of well-respected media outlets, helping to bring our conservation message to the public. Most notably, MSN Australia, Seven Networks Australia, and WIN Networks provided up-to-date coverage of OCEARCH expeditions in Australia. During the Gulf of Mexico expedition, MSN, Inquisitr, and CBS News released various publications on the expedition's progress. Local and regional news outlets were activated each time a shark 'pinged' or migrated to a different region. OCEARCH continually utilizes press platforms in our efforts to produce relevant research to inspire and change the world.

### Top News Outlets/Publications



4,139

TOTAL NUMBER OF HITS

12.2 Billion

TOTAL NUMBER OF IMPRESSIONS

\$113.2 Million

TOTAL AD VALUE

## COLLABORATING SCIENTISTS

### West Australia

#### Australian Institute of Marine Science

Dr. Mark Meekan  
Dr. Michele Thums

#### Florida International University

Michael Heithaus

#### University of Western Australia

Jessica Meeuwig  
Luciana Ferreira  
Charlotte Birkmanis  
Christopher Thompson

#### Florida International University

Robert Nowicki

#### Texas A&M University

Kristen McGovern  
Randall Davis

#### Florida State University

Clark Morgan

#### Murdoch University

Frazer McGregor

### East Australia

#### Florida International University

Mike Heithaus

#### James Cook University

Adam Barnett  
Katya Abrantes  
Richard Fitzpatrick

#### National Institute of Polar Research

Nick Payne  
Yuuki Watanabe

#### University of Queensland

Bonnie Holmes

#### University of Tasmania

Cynthia Awruch

#### Oceans IQ

Kate Green

### Gulf of Mexico

#### Dauphin Island Sea Lab

Dr. Marcus Drymon

#### HRI - Texas A&M University Corpus Christi

Dr. Greg Stunz  
Dr. Matt Ajemian

#### Mote Laboratory

Dr. Heather Marshall

#### Texas A&M University Galveston

Dr. David Wells  
Tom Tinhan

#### University of Northern Florida

Dr. James Gelsleichter  
Hannah Hart

#### National Institute of Polar Research

Nick Payne



# EXPEDITION SUMMARIES

## East Australia



**EAST AUSTRALIA:** Australia is now part of the OCEARCH global network of open sourced real time scientific data sharing. After 24 days of expedition on the Queensland Coast, the OCEARCH team along side Australians scientists from Queensland University, James Cook University, University of Tasmania, and Polar Institute successfully tagged and released 9 tiger sharks and 1 hammerhead shark.

The 21st expedition of OCEARCH had the highest public reach during expedition - 11.4 million reach on the Facebook platform alone and \$3,109,623 media value was generated in Australia.

During the expedition, with the support of Hastings Deering, the team engaged the community in four different locations: Brisbane, Fraser Island (Hervey Bay), Mackay, and Cairns. On each location, we engaged with the local press, local schools, and Hastings Deering customers and employees together in the journey.



## West Australia

**WEST AUSTRALIA:** The second leg of the Australia-first collaborative project between OCEARCH and Australian local scientists has been hailed "the most productive in tiger shark tagging history". 20 mature tiger sharks were caught, tagged, and released in only 11 days of expedition. The scientists were able to get everything they needed from all 20 sharks: from tissue and blood samples for genetics, to putting on the tracking devices.

The local community in Coral Bay, Geraldton, and Fremantle-Perth were welcomed to tour the ship and to meet the team. The expedition media coverage registered an impressive total of 1.7M impressions.

The OCEARCH partnership with Telstra, Australia's largest mobile phone provider, enabled the distribution of real time content and live stream from the ship. In fact, there were more video and digital content produced than any other expedition. Over 471,000 views were registered during the expedition time. The reach and view of our videos will continue to increase as the sharks migrate and the content is repurposed during press coverage.



## Gulf of Mexico

**GULF OF MEXICO:** Expedition Gulf of Mexico was the first multi-institution and regional shark tagging expedition ever executed over Galveston, Corpus Christi, and Louisiana. Despite the intense weather conditions that plagued the Gulf Region, seven sharks were tagged and released - two tigers, two hammerheads, two sandbars and one bull shark. With the help of these tagged sharks, OCEARCH and its collaborative team will begin to understand the sharks' migration patterns used to study the rates of exchange within the shared waters of the Gulf - USA, Mexico and Cuba, in order to affect policy and conserve these critical species. Scientists also hope to understand the interaction between these sharks and the oil and gas platforms currently present in the Gulf, and how this relationship compares to natural reefs and other ocean features.

The local community in Texas and Louisiana were welcomed to tour the ship and meet the team. With the help of the Texas State Aquarium and the opening of the "Saving Sharks" exhibit featuring OCEARCH, our community outreach and school engagement were highlighted in many different forms of media coverage.



# BOARD OF DIRECTORS

We Value Their Commitment Beyond Measure

## CHRIS FISCHER, FOUNDING CHAIRMAN

Chris is the Founding Chairman and Expedition Leader for OCEARCH. Since 2007, he has led 23 global expeditions to advance science and education while unlocking the many mysteries surrounding the life history of white sharks and other giants of the ocean. He has facilitated millions of dollars in collaborative ocean research, supporting the work of over 100 scientists from more than 50 institutions.

Chris' ultimate goal is to explode the body of knowledge forward by enabling scientists and governments around the globe to generate groundbreaking data on the ocean's apex predators in an open source environment, while advancing STEM (Science, Technology, Engineering, Math) education through a dynamic shark-based curriculum. He has a BS in Business from Indiana University with an emphasis on International Business and is a member of the Explorer's Club.

<https://www.linkedin.com/in/explorerfischer>

## AL PERKINSON, VICE CHAIRMAN

As Vice President of Marketing for Costa Sunglasses, Al Perkinson is responsible for brand strategy and marketing communications, as well as leading the company's extensive marine conservation contribution efforts. He was recognized in 2010 by Outdoor Life magazine as one of the Top 25 Conservation Heroes. In addition, he serves as Executive Producer for Costa Films, and is the General Manager of Costa's apparel and e-commerce business.

Prior to joining Costa, Al was vice president of account service at Henderson Advertising, as well as vice president group product manager at Bank of America. He started his career at Ogilvy & Mather in New York City, in account management. Al earned his Masters in Fine Arts from Columbia University in New York, and his Bachelor of Arts degree in fine arts and economics from St. Andrews College. He is an avid fly angler and conservationist, traveling extensively to do both.

<https://www.linkedin.com/pub/al-perkinson/b/39/95a>

## GREG SCHILDWACHTER, PH.D.

Dr. Schildwachter is a conservation consultant experienced in local, statewide, and federal issues and communities. He currently advises clients on wildlife, land conservation, leadership and strategy, and private investments in conservation under the business Watershed Results. He has contributed significantly to the conservation of wolves, salmon, other endangered species, private lands, and water rights - both through public policy and local agreements. Greg worked at the White House Council on Environmental Quality advising President George W. Bush on public lands, wildlife, and agriculture issues. He also served Senator Mike Crapo of Idaho as Special Assistant and Staff Director for the Senate Subcommittee of Fisheries, Wildlife, and Water. Greg is thrilled to be a part of OCEARCH where he can further his passion and interest in wildlife and conservation.

<http://www.watershedresults.com/>

## PAUL VIGANO

Paul is the Co-Managing Director of J.H. Whitney & Co., a U.S. based private equity firm. He has led the firm's investments in a number of consumer products companies including: Pure Fishing, Brooks Sports, and Igloo Coolers. He is an avid fisherman and outdoorsmen dedicated to finding ways to sustainably enjoy, enhance, and protect the world's water resources. He is particularly focused on educating youth, including his own three children, through hands-on exposure and experiences to help in the long-term restoration and protection of critical marine habits and animals.

<http://www.whitney.com/paul-vigano.html>

## BILL KULCZYCKI

Bill is currently a consultant to the outdoor industry. Bill has extensive experience in the outdoor industry, including more than forty years of experience, twenty-eight years as Vice President at Patagonia, four years as CEO/President of C.C. Filson of Seattle and three and a half years as Brand President of Gregory Mountain Products, a division of Black Diamond Inc. where he recently led the sale of the brand to Samsonite. While at Patagonia, Bill was involved in moving the company into being one of the most environmentally progressive brands in the outdoor business. He is also on the Board of the Pacific Crest Trail Association and previously the Board of Freedom to Roam. Bill is thrilled to be a part of OCEARCH, where he can share his focus on environmental issues and his passion for the outdoors.

<https://www.linkedin.com/pub/bill-kulczycki/9/138/159>

## ROB STRICKLAND

Rob is a technology and mobile executive who has led business transformations at T-Mobile, Dish Network, Landmark Communications, and most recently Leap Wireless, among others. He is currently a co-founder and investor of The Digital Nexus, a professional management consulting firm.

While at T-Mobile USA, Rob led the effort to use service-oriented architecture which enabled T-Mobile USA to revamp its customer service experience. As a consequence of this project, Rob and the T-Mobile USA IT department were honored with a CIO 100 Award in 2009.

<https://www.linkedin.com/pub/robert-strickland/0/4a5/341>

## BRANDON HUNT, CFM

Brandon is currently a Senior Vice President at Morgan Stanley. His marine conservation experience includes serving as Chairman of the Board of the Balboa Angling Club, serving on the Conservation Committee of The Avalon Tuna Club, and was a two term Chairman of the Board of The Billfish Foundation. While serving for TBF he came to realize the incredible benefits of quality research and the importance of sharing that data with the entire scientific community.



OCEARCH experienced continued success in 2015 due to the dedication of our members and the commitment of our Board. The leadership and oversight of our Board of Directors are fundamental to the success, growth, and vision of our organization. Our eleven Board members are extraordinarily generous with their time, wisdom, and financial support, and they ensure that OCEARCH remains committed to our mission and guiding principles. With their excellent guidance, we are pleased to enter 2016 in a strong position with generous support and a clear vision of our goals.

#### **MICHAEL ALTMAN**

Michael Altman is the founder of Michael Altman Fine Art & Advisory Services, LLC, handling highly esteemed and valued 19th and 20th century American artists such as Frederic Edwin Church, Thomas Cole, Sanford Gifford, John Singer Sargent, Childe Hassam, Edward Hopper, Marsden Hartley, Georgia O'Keeffe, Andrew Wyeth, Willem de Kooning, Jackson Pollock, and Jasper Johns. By working with important collectors to build and enhance their personal collections, Michael helps preserve the world's most historic fine art. In addition to his social responsibility in the art world, Michael has served on the board and/or supported Women for Women International, Partners in Health, and Massachusetts General Hospital. Michael's commitment to ensuring that OCEARCH's scientific data, outreach, and education programs are enabling healthy marine fisheries is fueled by his passion for sharing the ocean with his family and ensuring abundant sea life for future generations. His most important role is husband to Alexandria Stewart, and father to three amazing children Jack, Eliza, and Nicholas, who drive his efforts to help protect and preserve the world.

#### **JOE FISHER**

Joe is the Vice President of A&R for Universal Music Group in Nashville, TN. Joe has an active publishing company with Keith Urban where they sign and develop songwriters. Joe is also starting an artist development company called Villa 40 with Justin Timberlake where they will sign and develop artists from all genres, pop to country.

He is involved with the Hope For Justice organization to help stop human trafficking. He is also on the board of Daystar Counseling Ministries, which offers counseling to kids and families in Middle Tennessee who are going through difficult times at home or school, etc. Joe has a business degree with an emphasis on the Music Business from Belmont University.

#### **PETER BORDES**

Peter is the Founder & CEO of oneQube. Prior to oneQube, he founded and was CEO & Chairman of MediaTrust PerformanceExchange. During Peter's tenure as CEO, the company was named the 9th fastest growing U.S. company in 2009 & 2010 by Inc. 500, and #1 Performance Marketing Network 2009 by Revenue Performance Magazine.

Peter serves on the Board of Directors and Advisor Boards of media and technology companies. He is a founding charter member & on the Board of Directors of the PMA Performance Marketing Association. He serves as a member of the Pivot Conference Advisor Board. He is also a member of the Thiel Foundation 20 Under 20 Mentor Program.

<https://www.linkedin.com/in/peterbordes>

#### **PAUL CASTRONOVO**

Paul is an avid recreational fisherman, conservationist, and top radio personality in Florida. The Paul & Young Ron Show is a morning radio program starring Paul Castronovo and "Young" Ron Brewer, broadcast on WBGG-FM in the Miami/Fort Lauderdale radio market, WZZR-FM in the West Palm Beach radio market, and Sun 103.1 in Key Largo and Sun 99.5 in Key West. The Paul & Young Ron Show is one of the longest running most successful morning radio programs in South Florida history.

Paul has raised important funding for non-profits over many years by leveraging his audience and name. Chris Fischer and Capt. Brett McBride are regular guests on the Paul and Young Ron Show. Paul is in a wonderful position to help fundraise in the South Florida region and to help crowd fund on a larger scale.

[https://en.wikipedia.org/wiki/The\\_Paul\\_and\\_Young\\_Ron\\_Show](https://en.wikipedia.org/wiki/The_Paul_and_Young_Ron_Show)



# DIGITAL REPORT



## In 2015:

**iPhone App:** 533 thousand downloads

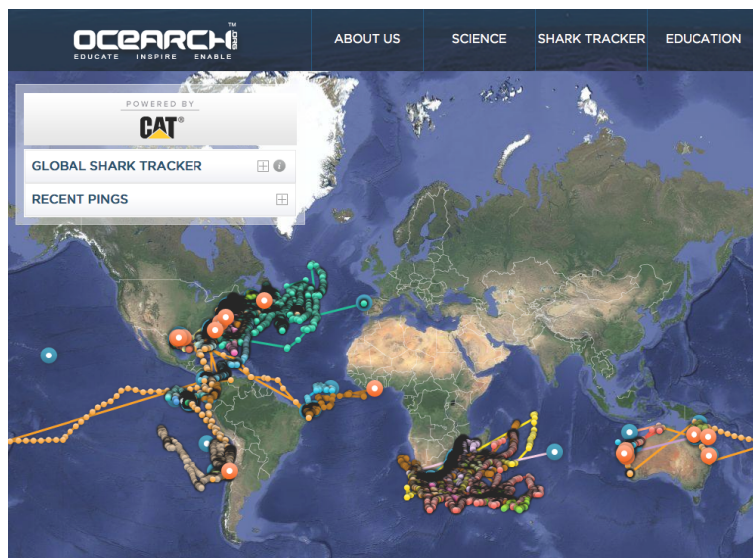
**Google App:** 93 thousand downloads

**Website Visitors:** 3.6 million

## What is the OCEARCH Shark Tracker?

The Global Shark Tracker allows anyone to see the movement of sharks tagged by OCEARCH and its collaborating scientists

During expedition, a satellite (SPOT) tag is placed on a shark's fin. In order to receive a location and track the shark, the fin must break the surface of the water for several seconds, allowing the tag to record a location that is automatically uploaded to the Global Shark Tracker.



# EDUCATION & AWARENESS

## Digital Report and STEM Learning

## Digital Media Report

OCEARCH continues to experience growth across all social media platforms. While Facebook growth was less in 2015 than 2014, followers in both Twitter and Instagram increased significantly in 2015. Instagram surpassed Twitter in new followers during 2015.



### Facebook:

#### Growth

2014: 183,500

2015: 148,000



### Twitter:

#### Growth

2014: 20,700

2015: 32,000



### Instagram:

#### Growth

2014: 8,700

2015: 39,700

### Impressions:

2014: 120,800,000

2015: 150,000,000

### Reach:

2014: 131,500,000

2015: 134,900,000

### Likes:

2014: 82,000

2015: 305,000

### Posts:

2014: 550

2015: 737

### Tweets:

2014: 2,700

2015: 2,100

### Posts:

2014: 97

2015: 184

OCEARCH digital platforms need to be 100% mobile friendly in 2016. This will mean significant changes for OCEARCH.org. Instagram will be more active than ever with more dynamic content. Facebook will focus on short videos, news stories, and real time shark locations.

# STEM LEARNING

## In 2015 OCEARCH:

Organized & participated in Skype sessions with hundreds of students answering their questions related to the Global Shark Tracker.

Expanded the OCEARCH STEM Curriculum - 40 lesson plans available among grades K-8, courtesy of Landry's Inc.

Launched "Change 4 FINS", a 2-week program that combines fundraising & education to support and expand the OCEARCH STEM Curriculum.

Partnered with Discovery Education to give 30M students & teachers access to the OCEARCH STEM Curriculum.

## In 2016 OCEARCH:

Will launch OCEARCH & Discovery Education Partnership.

Will continue to expand and enhance the OCEARCH STEM Curriculum with 100 lesson plans across grades K-12.

Will organize "Land Expeditions" with all OCEARCH shark research expeditions to connect conservation events and lesson plan activities during each expedition.

Will continue to host interactive Skype sessions and in-person presentations to students all over the world, creating awareness and global impact.

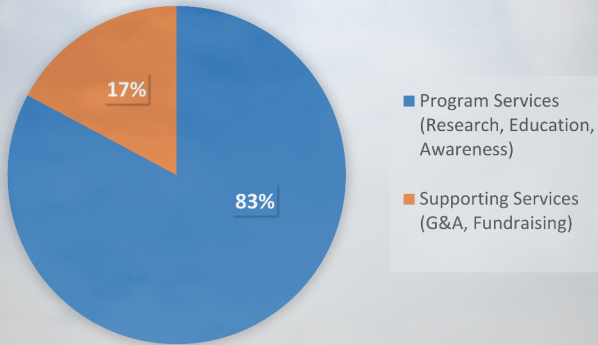
Will continue to expand the "Change 4 FINS" program by partnering with schools and STEM-minded organizations.



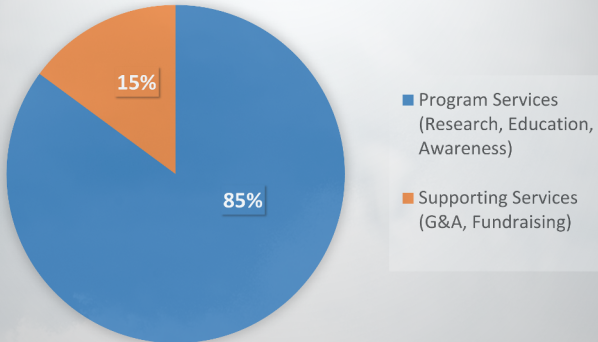
# FINANCIAL SUMMARY

What We Do With the Resources Provided

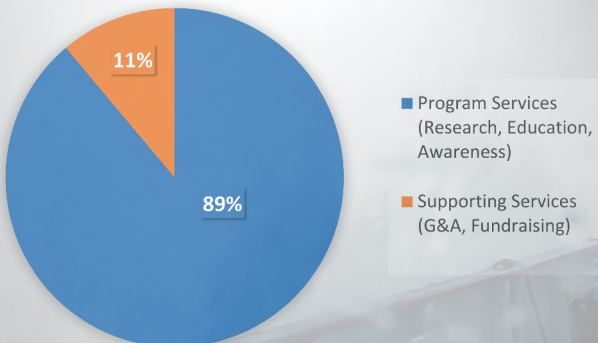
Program Services 2015



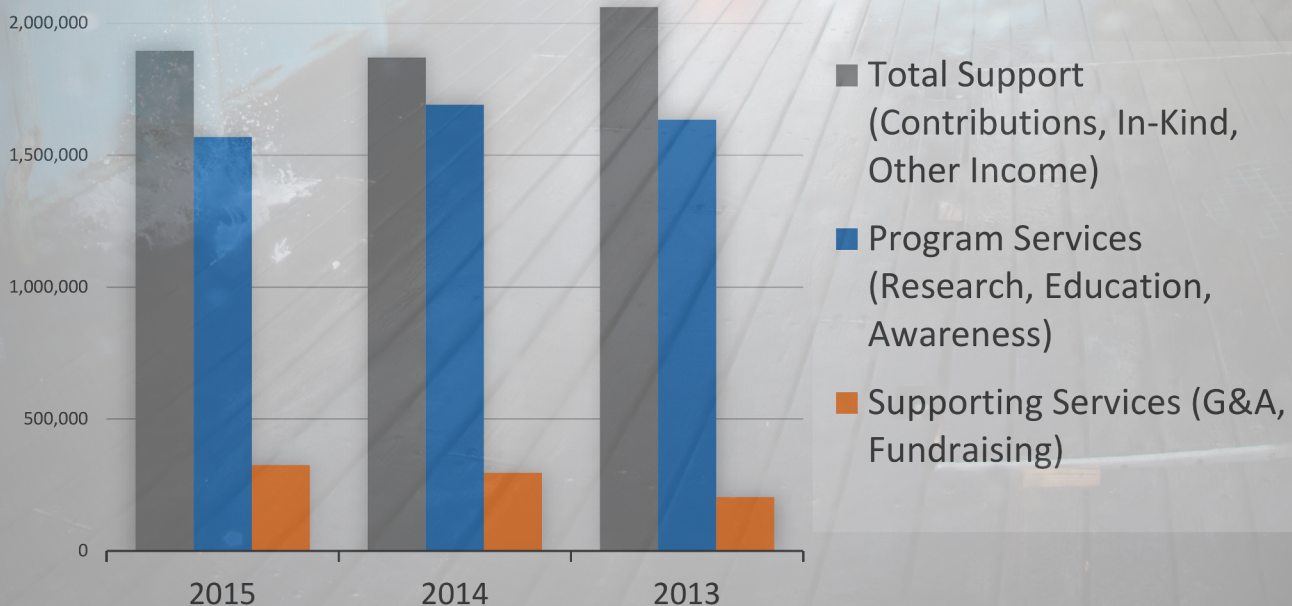
Program Services 2014



Program Services 2013



## Expenses by Type







# FINANCIAL STATEMENTS

And Independent Auditor's Report  
For the Years Ended December 31, 2015 and 2014

## Independent Auditor's Report

The Board of Directors  
**OCEARCH**

We have audited the accompanying financial statements of **OCEARCH** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **OCEARCH** as of December 31, 2015 and 2014, 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.

*Larson & Company P.C.*

Salt Lake City, Utah  
April 1, 2016



# STATEMENTS OF FINANCIAL POSITION

December 31, 2015 and 2014

	2015	2014
<b>ASSETS</b>		
Cash and cash equivalents	\$ 39,820	\$ 19,066
Promises to give	42,966	114,402
Prepaid expenses	-	14,683
Other assets	-	3,900
Intangible assets	79,349	124,060
<b>Total assets</b>	<b>\$ 162,135</b>	<b>\$ 276,111</b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued liabilities	\$ 30,220	\$ 145,406
<b>Total liabilities</b>	<b>30,220</b>	<b>145,406</b>
Net assets		
Unrestricted	131,915	30,705
Temporarily restricted	-	100,000
<b>Total net assets</b>	<b>131,915</b>	<b>130,705</b>
<b>Total liabilities and net assets</b>	<b>\$ 162,135</b>	<b>\$ 276,111</b>

The accompanying notes to financial statements are an integral part of these financial statements.



# STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2015 and 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support, revenue, gains, and losses</b>						
Contributions	\$ 297,404	\$ -	\$ 297,404	\$ 402,718	\$ -	\$ 402,718
In-kind contributions	1,566,927	-	1,566,927	1,463,097	-	1,463,097
Other income	31,273	-	31,273	-	3,552	3,552
Satisfaction of restrictions	100,000	(100,000)	-	100,000	(100,000)	-
<b>Total support, revenue, gains, and losses</b>	<b>1,995,604</b>	<b>(100,000)</b>	<b>1,895,604</b>	<b>1,965,815</b>	<b>(96,448)</b>	<b>1,869,367</b>
<b>Expenses</b>						
<b>Program services</b>						
Research	1,434,314	-	1,434,314	1,511,700	-	1,511,700
Education and awareness	134,485	-	134,485	179,427	-	179,427
<b>Total program services</b>	<b>1,568,799</b>	<b>-</b>	<b>1,568,799</b>	<b>1,691,127</b>	<b>-</b>	<b>1,691,127</b>
<b>Supporting services</b>						
General and administrative	163,811	-	163,811	125,241	-	125,241
Fundraising	161,784	-	161,784	170,782	-	170,782
<b>Total supporting services</b>	<b>325,595</b>	<b>-</b>	<b>325,595</b>	<b>296,023</b>	<b>-</b>	<b>296,023</b>
<b>Total expenses</b>	<b>1,894,394</b>	<b>-</b>	<b>1,894,394</b>	<b>1,987,150</b>	<b>-</b>	<b>1,987,150</b>
<b>Change in net assets</b>	<b>101,210</b>	<b>(100,000)</b>	<b>1,210</b>	<b>(21,335)</b>	<b>(96,448)</b>	<b>(117,783)</b>
<b>Net assets, beginning of year</b>	<b>30,705</b>	<b>100,000</b>	<b>130,705</b>	<b>52,040</b>	<b>196,448</b>	<b>248,488</b>
<b>Net assets, end of year</b>	<b>\$ 131,915</b>	<b>\$ -</b>	<b>\$ 131,915</b>	<b>\$ 30,705</b>	<b>\$ 100,000</b>	<b>\$ 130,705</b>

The accompanying notes to financial statements are an integral part of these financial statements.



# STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2015 and 2014

	2015	2014
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 1,210	\$ (117,783)
<b>Adjustments to reconcile change in net assets to net cash flows from operating activities:</b>		
Depreciation and amortization	47,461	45,441
Amortization of discount on promises to give	-	(3,552)
Property contributions	(2,750)	-
<b>Decrease (increase) in operating assets:</b>		
Promises to give	71,436	85,598
Prepaid expenses	14,683	16,541
Other assets	3,900	(3,900)
<b>Increase (decrease) in operating liabilities:</b>		
Accounts payable and accrued liabilities	(115,186)	1,845
<b>Net cash flows from operating activities</b>	<b>20,754</b>	<b>24,190</b>
<b>Cash flows from investing activities:</b>		
Purchase of intangible assets	-	(11,775)
<b>Net cash flows from investing activities</b>	<b>-</b>	<b>(11,775)</b>
<b>Net increase in cash and cash equivalents</b>	<b>20,754</b>	<b>12,415</b>
Cash and cash equivalents, beginning of year	19,066	6,651
<b>Cash and cash equivalents, end of year</b>	<b>\$ 39,820</b>	<b>\$ 19,066</b>
<b>Supplemental information:</b>		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

The accompanying notes to financial statements are an integral part of these financial statements.



# NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2015 and 2014

## 1. Summary of Significant Accounting Policies

### Nature of operations

OCEARCH (the "Organization") was incorporated under the laws of the State of Louisiana as a nonprofit corporation on March 4, 2011. The mission of the Organization is to conduct, sponsor, or fund research and educate and inform the public on sustainable fisheries management, the identification, reduction and prevention of marine debris, and general missions affecting the oceans. OCEARCH is an organization with a global reach for unprecedented research on great white sharks and other large apex predators. In a collaborative environment established by Founding Chairman and Expedition Leader Chris Fischer, OCEARCH enables leading researchers and institutions to generate previously unattainable data on the movement, biology, and health of sharks to protect their future while enhancing public safety and education.

OCEARCH is a leader in open source research, sharing data in near-real time for free through the Global Shark Tracker and enabling students and the public to learn alongside PhDs. The Landry's-developed STEM Education Curriculum, based on the Global Shark Tracker and Next Generation Science Standards (NGSS), was launched for grades 6-8 in the fall of 2013 nationwide.

OCEARCH has collaborated with over 100 scientists and 50 international institutions and made significant contributions to global shark research during its 23 expeditions with more than 50 research papers in progress. Research expeditions are conducted worldwide aboard the M/V OCEARCH, which serves as both a mothership and at-sea laboratory. Utilizing a custom 75,000 lb. capacity hydraulic platform designed to safely lift mature sharks for access by a multi-disciplined research team; up to 12 studies are conducted in approximately 15 minutes on a live mature shark. Powered by five Cat engines, the M/V OCEARCH is capable of global circumnavigation.

OCEARCH expeditions generate satellite tracks and other forms of data for sharks with planned expansion to other species in the future.

### Basis of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting. The Organization follows the generally accepted accounting principles for non-profit organizations and reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Classification of restricted net assets is determined by the nature of any donor imposed restrictions.

- Unrestricted net assets represent expendable funds available for operations which are not otherwise limited by donor restrictions.
- Temporarily restricted net assets consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

### Use of estimates

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

### Cash and cash equivalents

The Organization considers all cash and other highly liquid investments with original maturities of three months or less to be cash equivalents

### Accounts receivable and grants receivable

Accounts and grants receivable are recorded at their estimated fair value less an appropriate allowance for uncollectible amounts. Allowances are based on historical experience and management's analysis of specific balances. An account is written off when it is determined that all collection efforts have been exhausted. There are no accounts and grants receivable as of December 31, 2015 and 2014.

### Promises to give

Promises to give are recorded at their estimated fair value. Amounts due later than one year, if any, are recorded at the present value of estimated future cash flows. The Organization estimates the allowance based on analysis of specific donors, taking into consideration the age of past due pledges and an assessment of the donor's ability to pay. As of December 31, 2015 and 2014, all uncollected promises to give are expected to be collected; therefore, no allowance has been recorded. Conditional promises to give are not included as support until the conditions are substantially met. There are no conditional promises to give as of December 31, 2015 and 2014.

### Property and equipment

Property and equipment is recorded on the basis of cost for items purchased or fair market value at the date of gift for donated items. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. The Organization capitalizes property and equipment with a cost over \$1,000 and an estimated useful life of two years or more. Depreciation is recorded on the straight line method over the estimated useful lives of the assets. The Organization did not own any property and equipment as of December 31, 2015 and 2014.



## Intangible assets

Intangible assets consist of a Global Shark Tracker application and other software. The Organization capitalizes the internal and external costs incurred during the application development stage to develop internal-use computer software. The Organization capitalizes expenditures related to upgrades and enhancements when such expenditures will result in additional functionality to the software. Costs incurred for routine maintenance are expensed as incurred. The Organization amortizes its software on a straight-line basis over a 4 year useful life.

## Long-lived assets

The Organization assesses its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such asset is considered to be impaired, the impairment loss to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Any impairment is recognized as an expense. Judgments made by the Organization related to the expected useful lives of long-lived assets and the ability of the Organization to realize undiscounted net cash flows in excess of the carrying amounts of such assets are affected by factors such as the ongoing maintenance and improvements of the assets, changes in economic conditions, and changes in operating performance. The Organization did not recognize any impairment expense during the years ended December 31, 2015 and 2014.

## Contributions

Unconditional promises to give are recognized as contributions when received at the net present value of the amounts expected to be collected. Contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods or by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes.

When a donor-imposed time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statements of activities and changes in net assets as net assets released from restriction. Donor- restricted contributions whose restrictions are met in the same year the contribution is received are reported as unrestricted.

## Income taxes assets

The Organization qualifies as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code and, therefore, is not subject to federal or state income taxes in connection with its charitable activities. Accordingly, no provision has been made in the financial statements for federal or state income taxes. The Organization believes it does not have and has not recorded a liability for any uncertain tax positions. The Organization's federal tax returns for 2012 through 2014 are subject to examination by the IRS.

## Donated services and in-kind contributions

The Organization recognizes contributions of services only if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The Organization received contributions of services related to its education and research programs, fundraising activities and general and administrative functions. These services included expedition support including services provided by scientists, filming, production, and use of a vessel. The Organization also received contributions of administrative services, use of office space, and other professional services. These services meet the criteria above and have been recognized as contributions of services.

The fair value of these donated services as of December 31, 2015 and 2014 was \$1,566,927 and \$1,463,097, respectively, and is shown as both revenue and expense in the accompanying financial statements. Many of these services were provided by related parties (see Note 6).

Donations of property, equipment, supplies, and other goods and services are recorded as support at their estimated fair market value on the date of gift. These donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets, goods, and services donated with explicit restrictions regarding their use are reported as temporarily restricted support and reclassified to unrestricted net assets when placed in service.

## Functional allocation of expenses

The costs of programs and supporting services have been summarized on a functional basis in the statement of activities. All direct costs are charged to the applicable functional area. Indirect costs are charged to programs and supporting services based on estimates made by management, taking into account the nature of the expense and how it relates to the functional area. General and administrative costs include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

## Advertising costs

Advertising costs are charged to operations when incurred. The Organization did not have advertising costs for the years ended December 31, 2015 and 2014.

## Reclassification

Certain amounts in prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. Total changes in net assets were not affected by the reclassifications.



# NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2015 and 2014

## 2. Promises to Give

Promises to give for the years ended December 31, 2015 and 2014 consist of promises of future contributions and services. The promises to give for each year were due within one year, and accordingly, no net present value adjustment or discount was necessary.

## 3. Intangible Assets

Intangible assets consisted of the following as of December 31, 2015 and 2014:

	Useful Lives	2015	2014
Cost			
Global shark tracker application	4 years	\$ 191,255	\$ 188,505
Software	4 years	1,110	1,110
<b>Total cost</b>		<b>192,365</b>	<b>189,615</b>
Less accumulated amortization		(113,016)	(65,555)
<b>Intangible assets</b>		<b>\$ 79,349</b>	<b>\$ 124,060</b>

Amortization expense for the years ended December 31, 2015 and 2014 was \$47,461 and \$45,441, respectively. The estimated aggregate amortization expense for each of the five succeeding fiscal years is as follows:

Years ending December 31,	
2016	\$ 48,122
2017	26,448
2018	4,149
2019	630
2020	-
<b>Total estimated amortization expense</b>	<b>\$ 79,349</b>

## 4. Net Assets

Temporarily restricted net assets are available for the following purposes as of December 31, 2015 and 2014:

	2015	2014
<b>Expedition costs and educational programs</b>	<b>\$ -</b>	<b>\$ 100,000</b>

## 5. Concentrations

The Organization maintains cash and investments in bank and brokerage accounts which at times may exceed their federally insured limits of \$250,000 set by the Federal Deposit Insurance Corporation ("FDIC"). The accounts are held by banks and brokerage firms that are well established and highly regarded. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on these balances.

During the year ended December 31, 2015, the Organization received 95% of its in-kind contributions from two related parties (see Note 6). Three donors provided 20%, 16% and 16% of contributions, respectively. Promises to give from two donors represented 47% and 40% of total promises to give, respectively.

During the year ended December 31, 2014, the Organization received 99% of its in-kind contributions from two related parties (see Note 6). Two donors provided 37% and 26%, respectively. Promises to give from one donor represented 87% of total promises to give.



## 6. Related Party Transactions

A company owned by the Chairman of the Board ("Fischer Productions") provided administrative services, office space, and professional services valued at \$70,030 and \$27,614 to the Organization for in-kind contributions during the years ended December 31, 2015 and 2014, respectively. An employee of Fischer Productions served as the President and Treasurer of the Board for the Organization during the year ended December 31, 2014.

A company owned by the Chairman of the Board ("Team Fisch") provided personnel and equipment, including vessels and fishing gear necessary to support expeditions and other professional services valued at \$1,432,453 and \$1,425,758 to the Organization as an in-kind contribution during the years ended December 31, 2015 and 2014, respectively. Team Fisch made cash contributions of \$65,000 and \$142,255 to the Organization during the years ended December 31, 2015 and 2014.

During the year ended December 31, 2015, the Organization did not pay rent but the use of the office space was included as an in-kind contribution from Fischer Productions.

During the year ended December 31, 2014, the Organization rented office space from a related party on a month-to-month basis. During the year ended December 31, 2014, the Organization paid \$20,015 in rent expense.

A company owned by the President ("The Christopher Group") provides the Organization with marketing and fundraising services. The Organization paid approximately \$81,913 and \$70,575 for these services during the years ended December 31, 2015 and 2014, respectively.

## 7. Subsequent Events

Subsequent events were evaluated through April 1, 2016 which is the date the financial statements were available to be issued.





# OCEARCH<sup>TM</sup>

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