OGDEN MUSEUM OF SOUTHERN ART, INC.

FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED

DECEMBER 31, 2025 AND 2024

ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 – 2
FINANCIAL STATEMENTS:	
Exhibit "A" Statements of Financial Position	3
Exhibit "B" Statements of Activities	4 – 5
Exhibit "C" Statements of Functional Expenses	6 – 7
Exhibit "D" Statements of Cash Flows	8
Notes to the Financial Statements	9 – 22

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Ogden Museum of Southern Art, Inc.
New Orleans, LA

Opinion

We have audited the accompanying financial statements of Ogden Museum of Southern Art, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ogden Museum of Southern Art, Inc. as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ogden Museum of Southern Art, Inc. 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 Ogden Museum of Southern Art, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Trustees of
Ogden Museum of Southern Art, Inc.
New Orleans, Louisiana
May 11, 2026

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ogden Museum of Southern Art, Inc.'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 Ogden Museum of Southern Art, Inc.'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.

May 11, 2026
New Orleans, Louisiana

Ericksen Krentel, LLP

Certified Public Accountants

OGDEN MUSEUM OF SOUTHERN ART, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS:		
Cash and cash equivalents	$ 570,710	$ 645,173
Cash - donor restricted	5,989	5,973
Cash - board designated	144,339	145,274
Certificates of deposit	-	250,000
Accounts receivable	92,544	176,433
Prepaid expenses	10,077	18,186
Promises to give, less present value discount	1,985,056	1,403,771
Inventory	65,626	72,099
Investments	3,108,568	2,880,616
Property and equipment, net	3,871,047	455,609
Deposits	3,700	3,700
Total assets	$ 9,857,656	$ 6,056,834
LIABILITIES:		
Accounts payable and accrued expenses	$ 45,106	$ 61,087
Deferred revenue	91,784	113,313
Accrued vacation payable	46,612	49,572
Cooperative endeavor agreement payable, net of imputed interest	2,431,879	-
Related-party note payable	180,000	-
Note payable	148,939	150,000
Total liabilities	2,944,320	373,972
NET ASSETS:		
Without donor restrictions	3,922,240	3,319,401
With donor restrictions	2,991,096	2,363,461
Total net assets	6,913,336	5,682,862
Total liabilities and net assets	$ 9,857,656	$ 6,056,834

See accompanying NOTES TO FINANCIAL STATEMENTS

OGDEN MUSEUM OF SOUTHERN ART, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, OTHER REVENUES, AND RECLASSIFICATIONS:			
Contributions, less discounts	$ 752,756	$ 1,116,171	$ 1,868,927
Contributions revenue, imputed interest	887,528		887,528
Gifts in kind	91,086	-	91,086
Grants	280,983	3,000	283,983
Memberships	200,798	-	200,798
Special event revenue	1,159,637	-	1,159,637
Admissions	247,068	-	247,068
Gift shop sales	180,979	-	180,979
Sculpture for New Orleans revenue	22,495	-	22,495
Other revenues	54,064	-	54,064
Investment income, net	364,433	-	364,433
Net assets released from restrictions	491,536	(491,536)	-
Total support, other revenues and reclassifications	4,733,363	627,635	5,360,998
EXPENSES:			
Program services	1,926,805	-	1,926,805
Supporting services:			
Management and general	1,110,485	-	1,110,485
Fundraising	1,093,234	-	1,093,234
Total expenses	4,130,524	-	4,130,524
Change in net assets	602,839	627,635	1,230,474
Net assets, beginning of year	3,319,401	2,363,461	5,682,862
Net assets, end of year	$ 3,922,240	$ 2,991,096	$ 6,913,336

See accompanying NOTES TO FINANCIAL STATEMENTS

OGDEN MUSEUM OF SOUTHERN ART, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, OTHER REVENUES, AND RECLASSIFICATIONS:			
Contributions, less discounts	$ 587,753	$ 259,953	$ 847,706
Gifts in kind	157,871	-	157,871
Grants	102,383	-	102,383
Memberships	277,901	-	277,901
Special event revenue	1,070,454	-	1,070,454
Admissions	236,573	-	236,573
Gift shop sales	166,096	-	166,096
Sculpture for New Orleans revenue	155,444	-	155,444
Other revenues	662,019	-	662,019
Investment income, net	297,531	-	297,531
Net assets released from restrictions	413,459	(413,459)	-
Total support, other revenues and reclassifications	4,127,484	(153,506)	3,973,978
EXPENSES:			
Program services	2,082,153	-	2,082,153
Supporting services:			
Management and general	715,370	-	715,370
Fundraising	1,224,679	-	1,224,679
Total expenses	4,022,202	-	4,022,202
Change in net assets	105,282	(153,506)	(48,224)
Net assets, beginning of year	3,214,119	2,516,967	5,731,086
Net assets, end of year	$ 3,319,401	$ 2,363,461	$ 5,682,862

OGDEN MUSEUM OF SOUTHERN ART, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Salaries	$ 1,043,456	$ 253,338	$ 580,559	$ 1,877,353
Payroll taxes	79,100	17,699	32,856	129,655
Employee benefits	75,120	6,526	26,790	108,436
Total salaries and related expenses	1,197,676	277,563	640,205	2,115,444
EXPENSES:				
Administrative	-	114,991	-	114,991
Finance	-	413,140	-	413,140
Human resources	-	33,116	-	33,116
Building	199,686	140,150	-	339,836
Development	-	-	416,954	416,954
Store	103,228	-	-	103,228
Visitor services	781	-	-	781
Facility rentals	40,887	-	-	40,887
Programs and events	32,644	-	-	32,644
Curatorial	136,997	-	-	136,997
Exhibitions	148,963	-	-	148,963
Education	63,305	-	-	63,305
Institutional advancement	-	-	36,075	36,075
Sculpture for New Orleans	2,638	-	-	2,638
Depreciation	-	131,525	-	131,525
Total expenses	$ 1,926,805	$ 1,110,485	$ 1,093,234	$ 4,130,524

OGDEN MUSEUM OF SOUTHERN ART, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Salaries	$ 1,045,965	$ 188,964	$ 587,241	$ 1,822,170
Payroll taxes	82,223	13,127	34,097	129,447
Employee benefits	75,662	3,623	40,482	119,767
Total salaries and related expenses	1,203,850	205,714	661,820	2,071,384
EXPENSES:				
Administrative	-	117,114	-	117,114
Finance	-	264,920	-	264,920
Human resources	-	37,374	-	37,374
Building	124,342	48,927	-	173,269
Development	-	-	519,011	519,011
Store	105,905	-	-	105,905
Visitor services	2,764	-	-	2,764
Facility rentals	77,838	-	-	77,838
Programs and events	42,227	-	-	42,227
Curatorial	90,135	-	-	90,135
Exhibitions	206,769	-	-	206,769
Education	91,119	-	-	91,119
Institutional advancement	-	-	43,848	43,848
Sculpture for New Orleans	137,204	-	-	137,204
Depreciation	-	41,321	-	41,321
Total expenses	$ 2,082,153	$ 715,370	$ 1,224,679	$ 4,022,202

OGDEN MUSEUM OF SOUTHERN ART, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

		2025		2024
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:				
Change in net assets	$	1,230,474	$	(48,224)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities:				
Depreciation		131,525		41,321
Change in discount on promises to give		(108,715)		(163,649)
Non-cash contributions of imputed interest		(887,528)		-
Non-cash interest expense		8,190		-
Net realized/unrealized (gain) on investments		(314,909)		(223,636)
(Increase) decrease in:				
Accounts receivable		83,889		(63,165)
Prepaid expenses		8,109		(9,843)
Promises to give		(472,570)		410,000
Inventory		6,473		3,962
Increase (decrease) in:				
Accounts payable		(15,981)		(8,384)
Deferred revenues		(21,529)		(87,368)
Accrued vacation payable		(2,960)		(4,524)
Net cash (used for) operating activities		(355,532)		(153,510)
CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:				
Purchase of building		(46,963)		-
Proceeds from maturities of certificates of deposits		250,000		250,000
Proceeds from sale of investments		566,640		727,220
Purchases of investments		(479,683)		(811,114)
Net cash from investing activities		289,994		166,106
CASH FLOWS FROM (USED FOR) FINANCING ACTIVITIES:				
Principal payments on cooperative endeavor agreement		(188,783)		-
Proceeds from related party notes payable		180,000		-
Principal payments on note payable		(1,061)		(4,604)
Net cash (used for) financing activities		(9,844)		(4,604)
Net (decrease) increase in cash, cash equivalents, and restricted cash		(75,382)		7,992
Cash, cash equivalents, and restricted cash beginning of year		796,420		788,428
Cash, cash equivalents, and restricted cash end of year	$	721,038	$	796,420
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:				
Acquisition of building under cooperative endeavor agreement	$	3,500,000	$	-
Non-cash imputed interest income	$	887,528	$	-
Non-cash interest expense	$	8,190	$	-
Cash paid for interest	$	167,848	$	3,088

See accompanying NOTES TO FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS

Nature of Activities

The Ogden Museum of Southern Art, Inc. (the Museum) is a Louisiana non-profit corporation organized to broaden the knowledge, understanding, and appreciation of the visual arts and culture of the American South through its permanent collections, changing exhibitions, educational programs, publications, research center, and its Goldring-Woldenberg Institute for the Advancement of Southern Art and Culture. The Museum is supported primarily through donor contributions, museum admissions, memberships, and gift shop sales.

Basis of Accounting

Assets and liabilities and revenues and expenses are recognized on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the Financial Accounting Standards Board.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) 958-210-50-3, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-210-50-3, the Museum is required to report information regarding its financial position and activities according to two classes of net assets.

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Museum. These net assets may be used at the discretion of the Museum's management and the board of trustees. The revenues received in conducting the mission of the Museum are included in this category.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Museum or by the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Museum considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Cash – Donor Restricted and Board Designated

Cash – Donor Restricted and Board Designated consists of cash on deposit with financial institutions, the use of which is temporarily restricted for specific uses in subsequent periods, restricted for endowment fund purposes or designated for specific purposes by the Board of Trustees.

Certificates of Deposit

The certificates have an initial maturity greater than 3 months and varying interest rates, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

Accounts Receivable

Accounts receivable consists of grants and other receivables. The Museum provides an allowance for credit losses based on management's estimate of collectability of accounts receivable. For the years ended December 31, 2025 and 2024, management determined that all amounts are collectible and no allowance for credit losses is necessary.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, less any liabilities or expenses depending on the form of the benefits received. Promises to give are recorded at the net present value of estimated future cash flows using an appropriate discount rate. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Based on management's experience and relationship with donors, all unconditional promises to give are considered to be fully collectible.

Investments

Investments in marketable securities and mutual funds with readily determinable fair values and all investments in debt securities are reported at fair value in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Dividend, interest, and other investment income are recorded as increases in net assets without donor restrictions unless the use is restricted by the donor.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (CONTINUED)

Investments (Continued)

FASB ASC topic 820, *Fair Value Measurements and Disclosures* emphasizes market-based measurement and, in doing so, stipulates a fair value hierarchy. The hierarchy is based on the type of inputs, or data used, to measure fair value. The fair value hierarchy is summarized below.

Level 1 lies at the top of the hierarchy; inputs are quoted prices in active markets.

Level 2 inputs are in the middle of the hierarchy, where data is adjusted from similar items traded in markets that are active markets or from identical or similar items in markets that are not active. Level 2 inputs do not stem directly from quoted prices. No Level 2 inputs were used by the Museum.

Level 3 inputs are unobservable and require the entity to develop its own assumptions. No Level 3 inputs were used by the Museum.

Inventories

Gift shop and marketing material inventories are stated at the lower of cost, fair value at date of donation, or net realizable value.

Property and Equipment

Buildings, improvements, furniture, and equipment are recorded at cost at the date of acquisition, or market value at date of donation in the case of gifts. The Museum has adopted the practice of capitalizing all expenditures for depreciable assets where the unit cost exceeds $1,500. Minor replacements, maintenance, and repairs that do not improve or extend the useful lives of the respective assets are charged to expense as incurred. Depreciation is computed on a straight-line basis over the following estimated useful lives:

Buildings	40 years
Building improvements	30 years
Furniture and fixtures	10 years
Equipment	5 years

Donations of property and equipment are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Museum reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Museum reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (CONTINUED)

Art Collection

In accordance with industry practice, the Museum does not capitalize its collections. The collections are made up of artifacts of historical significance and art objects that are held for educational, research, and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collections are subject to a policy that requires proceeds from their sales to be used to acquire other items for collections.

Deferred Revenue

Income from membership dues is deferred and recognized over the periods to which the dues relate.

Imputed Interest

In accordance with FASB 835-30 *Imputation of Interest*, all notes exchanged for cash or property where interest is not stated, the stated amount is unreasonable, or the stated sales price is materially different from current fair market value, shall be discounted to be discounted by the difference of the face amount and the present value upon issuance. Any resulting discount shall be accounted for as an element of interest over the life of the note.

Contributions and Revenue

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

A substantial number of volunteers have given extensive amounts of time and services to the Museum. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under FASB ASC 958-605-50-1, *Accounting for Contributions Received and Contributions Made*

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (CONTINUED)

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Museum.

Income Taxes

The Museum is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and from state income taxes under Section 121(5) of Title 47 of the Louisiana Revised Statutes. However, income from certain activities not directly related to the Museum's tax-exempt purpose may be subject to taxation as unrelated business income. In addition, the Museum qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a).

The Museum's evaluation as of December 31, 2025 revealed no tax positions that would have a material impact on the financial statements. The 2022 through 2024 tax years remain subject to examination by the IRS. The tax return for the year ended December 31, 2025 has not been filed as of the report date. The Museum does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

Impairment of Long-Lived Assets

The Museum periodically evaluates the carrying value of long-lived assets to be held and used when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined by independent market appraisals or by using the anticipated cash flows discounted at a rate commensurate with the risk involved. Losses on long-lived assets to be disposed of are determined in a similar manner except that fair market values are reduced for the cost to dispose. There were no impairments of long-lived assets recognized for the years ended December 31, 2025 or 2024.

Advertising

All non-direct response advertising costs, other than marketing materials inventory, are expensed as incurred. Advertising expense amounted to $16,471 and $23,219 for the years ended December 31, 2025 and 2024, respectively, and is included in fundraising expenses on the Statement of Activities.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (CONTINUED)

Fundraising Expenses

All expenses associated with fundraising activities are expensed as incurred, including those expenses related to fundraising appeals in a subsequent year.

Date of Management's Review

Management has evaluated subsequent events through May 11, 2026, which is the date the financial statements were available to be issued.

(2) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Museum's financial assets as of December 31, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Amounts not available also include amounts set aside for future required funding of debt. However, amounts already appropriated for general expenditure within one year of the balance sheet date have not been subtracted as unavailable.

	2025	2024
Financial assets, at year end	$ 5,972,832	$ 5,579,339
Less those unavailable for general expenditure		
Within one year due to:		
Contractual or donor-imposed restrictions:		
Endowment fund	1,181,375	1,128,159
Restricted by donor with time or purpose restrictions	5,989	5,973
Net promises to give, more than one year	977,231	430,591
Board designated	144,339	145,274
Debt service	357,692	7,692
Financial assets available to meet cash needs for general expenditures within one year	$ 3,306,206	$ 3,861,650

The Museum is substantially supported by contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Museum must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Museum's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

(3) CASH AND CASH EQUIVALENTS - RESTRICTED

Pursuant with Financial Accounting Standards Board's ASU 2016-18, "*Statement of Cash Flows (Topic 230): Restricted Cash,*" the following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheet that sum to the total of the same such amounts shown in the statement of cash flows.

	2025	2024
Cash and cash equivalents	$ 570,710	$ 645,173
Restricted cash - donor restricted	5,989	5,973
Restricted cash - board designated	144,339	145,274
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	$ 721,038	$ 796,420

Amounts included in restricted cash represents donor restrictions and board designations.

(4) PROMISES TO GIVE

Promises to give consist of the following at December 31st:

	2025	2024
Receivable in less than one year	$ 310,000	$ 330,000
Receivable in one to five years	810,000	500,000
Receivable in more than five years	1,400,000	1,000,000
Total promises to give	2,520,000	1,830,000
Less discounts to net present value	(534,944)	(426,229)
Net promises to give	$ 1,985,056	$ 1,403,771

Promises to give that are to be received after December 31, 2025 are discounted to net present value based on the applicable federal rate (4.6% and 5.0% at December 31, 2025 and 2024, respectively) for valuing these types of gifts. Uncollectible promises are expected to be insignificant; therefore, no allowance has been recorded for the years ended December 31, 2025 and 2024.

(5) INVESTMENTS

Investments are stated at market value and consist of the following at December 31st:

	2025	2024
Money market	$ 48,875	$ 41,213
Equity securities	2,561,362	2,369,690
Fixed income	365,068	364,591
Real estate & infrastructure	133,263	105,122
	$ 3,108,568	$ 2,880,616

The following schedule summarizes the investment return classified as unrestricted in the Statement of Activities for the year ended December 31st:

	2025	2024
Interests and dividends	$ 73,781	$ 93,121
Realized (losses) gains	36,984	(51)
Unrealized gains (losses)	277,925	223,687
Fees	(24,257)	(19,226)
	$ 364,433	$ 297,531

In accordance with FASB ASC topic 820, *Fair Value Measurements and Disclosures*, the fair value of these assets and investments are determined by quoted prices in active market (Level 1). See Note 1 for a description of the Museum's policies and valuation procedures.

(6) PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31st:

	2025	2024
Building	$ 3,546,963	$ -
Building improvements	1,449,255	1,449,255
Furniture, fixtures, and equipment	520,811	520,811
	5,517,029	1,970,066
Less: accumulated depreciation	(1,645,982)	(1,514,457)
Net property and equipment	$ 3,871,047	$ 455,609

Depreciation expense totaled $131,525 and $41,321 for the years ended 2025 and 2024, respectively.

(7) COOPERATIVE ENDEAVOR AGREEMENT

In January 2025, the Museum signed a cooperative endeavor agreement (CEA) with the University of Louisiana System on behalf of the University of New Orleans (UNO) where the Museum will pay UNO the sum of $3,500,000 in ten equal installments of $350,000 with the initial payment due upon the execution of the agreement. In exchange for the payments, the title of Goldring Hall Property was transferred to the Museum upon execution of the agreement. The future payments of the CEA shall be secured by a first priority mortgage on the Goldring Hall Property. The transfer of the title of the Goldring Hall Property to the Museum will relieve UNO of its obligation under the previous CEA to continue paying for the future utilities, deferred maintenance and all other operating expenses of the property.

Due to the CEA not stating an interest rate, imputed interest was recorded and the liability for the remaining installments was discounted to present value based the length of the agreement using a 10 year term target rate of 7.10%. The CEA's discounted amount of $879,338 is recognized as a contribution on the Statement of Activities for the year ended December 31, 2025. As discussed in Note 1, the discounted amount will be recognized as interest expense over the term of the agreement. For the year ended December 31, 2025, $161,217 of interest expense was recognized for the CEA. The CEA has a balance of $2,431,879 on the as of December 31, 2025.

The maturity of the CEA payable at December 31, 2025 is as follows:

	Principal Reduction	Imputed Interest	Payments
2026	$ 202,187	$ 147,813	$ 350,000
2027	216,542	133,458	350,000
2028	231,916	118,084	350,000
2029	248,382	101,618	350,000
2030	266,017	83,983	350,000
Thereafter	1,266,835	133,165	1,400,000
Total	$ 2,431,879	$ 718,121	$ 3,150,000

(8) NOTE PAYABLE

The Museum obtained a note payable with the Small Business Administration for $150,000 on August 5, 2020. Monthly payments of $641 began after the initial deferral period. The note matures on August 5, 2050 and has an annual interest rate of 2.75%. The note payable has a balance of $148,939 and $150,000 as of December 31, 2025 and 2024, respectively. There is no accrued interest included in the balance at December 31, 2025 and 2024, respectively.

(8) NOTE PAYABLE (CONTINUED)

The maturity of the note payable at December 31, 2025 is as follows:

2026	$	3,603
2027		3,703
2028		3,806
2029		3,912
2030		4,021
Thereafter		129,894
	$	148,939

(9) NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following at December 31st:

	2025	2024
Exhibitions	$ 519,490	$ 476,140
Educational programs	3,000	-
Use in future periods	1,287,231	759,162
Endowment funds	1,181,375	1,128,159
	$ 2,991,096	$ 2,363,461

Net assets with donor restrictions were released from restrictions for the following purposes during the year ended December 31st:

	2025	2024
Exhibitions	$ 79,400	$ 67,535
Educational programs	102,136	62,150
Library fund	-	642,936
Use in future periods	310,000	321,919
Reassessment of restrictions	-	(681,081)
	$ 491,536	$ 413,459

(10) ENDOWMENT FUNDS

The Museum's endowment established in 2013 consists of donor designated gifts to support the Museum's operations. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(10) ENDOWMENT FUNDS (CONTINUED)

The Board of Trustees has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Museum classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment; (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Museum in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Museum considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income, and (6) the Museum's spending policies.

Spending Policies

The Museum has a policy of appropriating for distribution when needed the endowment fund's income that is not with donor restrictions, and the Museum plans to allocate income annually to support the Museum's operating costs. The current spending policy is expected to allow the endowment fund to grow as a result of earned income. This is consistent with the Museum's objectives to provide income for its operations supported by the endowment, preserve endowment assets without subjecting them to substantial risk, and provide additional real growth through new gifts.

Endowment Net Assets

Endowment net asset composition by type of fund at December 31, 2025 and 2024 is as follows:

	2025	2024
Donor-designated funds	$ 1,181,375	$ 1,128,159

(10) ENDOWMENT FUNDS (CONTINUED)

Endowment Net Assets (Continued)

Change in endowment net assets at December 31, 2025 and 2024 consists of the following:

	2025	2024
Endowment net assets, beginning of year	$ 1,128,159	$ 1,052,591
Net accretion on present value discount	53,216	75,568
Endowment net assets, end of year	$ 1,181,375	$ 1,128,159

(11) IN-KIND CONTRIBUTIONS

In-kind contributions for the years ended December 31, 2025 and 2024 included in the financial statements were as follows:

	2025	2024
Art for auction	$ 85,118	$ 153,466
Events	5,968	4,405
	$ 91,086	$ 157,871

The Museum's policy related to gifts-in-kind is to utilize the asset given to carry out the mission of the Museum. If an asset is provided that does not allow the Museum to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

The Museum was provided donated goods primarily for the auctions and services at estimated fair market value as determined by the individual donor.

All contributed nonfinancial assets received by the Museum for the years ended December 31, 2025 and 2024 were considered to be without donor restrictions and able to be used by the Museum as determined by the board of trustees and management.

(12) CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Museum to concentrations of credit risk consist principally of cash and cash equivalents and receivables. The Museum's policy is to not require receivables to be collateralized.

(12) CONCENTRATION OF CREDIT RISK (CONTINUED)

The Museum maintains its cash and cash equivalents in several local financial institutions in Louisiana. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At December 31, 2025 and 2024, cash deposits in excess of the insured limits totaled $78,889 and $656,371, respectively. The Museum has not experienced a loss in such accounts and believes it is not exposed to any significant credit risk on cash.

One donor contributed 14% of total revenues to the Museum for the year ended December 31, 2025. No donor contributed over 10% of total revenues to the Museum for the year ended December 31, 2024.

(13) RELATED PARTY TRANSACTIONS

The Board of Trustees provides support to the Museum through contribution and membership revenues. Total revenues from the Board amounted to $422,637 and $239,290 for the years ended December 31, 2025 and 2024, respectively.

In January 2025, the Museum signed a promissory note with a Trustee's foundation, to assist with financing the CEA transaction. The Museum will receive $1,800,000 total paid in ten equal installments of $180,000 annually, with zero percent interest accruing. The note is secured by the Goldring Hall Property. The full balance of this note is due on December 31, 2036. The outstanding balance must be paid before the due date or upon completion of the Museum's capital campaign, whichever is earlier. At no time shall the outstanding balance be greater than $540,000. There is no stated interest on the note, therefore interest is calculated using the imputed interest method discussed in Note 1 at the IRS risk free rate of 4.55% at December 31, 2025. An imputed interest contribution and related interest expense of $8,190 was recognized in the Statement of Activities for the year ended December 31, 2025. The balance payable at December 31, 2025 was $180,000.

(14) CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT

Employee Retention Credit

Under provisions of the CARES Act signed into law on March 27, 2020 and the subsequent extension of the CARES Act, the Museum was eligible for a refundable employee retention credit subject to certain criteria. The Museum recognized income of $617,493 related to refunds of employee retention credits for the 2nd, 3rd and 4th quarters of 2020 and the 1st, 2nd, and 3rd quarters of 2021 during the year ended December 31, 2024, which is included in other revenues on the Statements of Activities. There was no income recognized for employee retention credits for the year ended December 31, 2025. At December 31, 2024, $117,013 was outstanding and included in accounts receivable on the accompanying statements of Financial Position, which was received during 2025.

(15) PENSION PLAN

The Museum has a deferred compensation 401(k) plan for qualifying employees. The employer may make a discretionary matching contribution to the plan based upon the level of individual employee contributions. There were no amounts expensed for this plan during the years ended 2025 and 2024.

(16) RECLASSIFICATIONS

Certain reclassifications have been made to prior year's financial statements to conform to the presentation of current year financial statements. The reclassifications have no effect on net assets.