

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2025 (REVIEWED) AND 2024 (AUDITED)**

**BATON ROUGE, LOUISIANA**

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## Independent Accountant's Review Report

To the Board of Directors  
Louisiana Symphony Association, Inc.  
Baton Rouge, Louisiana

We have reviewed the accompanying financial statements of Louisiana Symphony Association, Inc. (the "Association") (a nonprofit organization), which comprise the Statement of Financial Position as of June 30, 2025, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### ***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.

### ***Accountant's Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Louisiana Symphony Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

***Accountant's Conclusion***

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

***Report on 2024 Financial Statements***

The June 30, 2024 financial statements (as restated) were audited by us, and we expressed an unmodified opinion on them in our report dated December 20, 2024. We have not performed any auditing procedures since that date.

Respectfully submitted,

*Hannis T. Bourgeois, CPA*

Baton Rouge, Louisiana  
December 22, 2025

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

**STATEMENTS OF FINANCIAL POSITION**

JUNE 30, 2025 AND 2024

**ASSETS**

	2025 (Reviewed)	2024 (Audited) As Restated
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 4,358	\$ 143,732
Restricted Cash	202,589	201,287
Investments - Restricted	362,550	266,449
Unconditional Promises to Give - Without Donor Restrictions	2,000	4,000
Receivables	169,336	12,475
Prepaid Expenses and Other Assets	8,151	5,682
Total Current Assets	748,984	633,625
<b>Endowment Assets</b>	551,275	551,275
<b>Beneficial Interest in BR Symphony League</b>	237,810	212,694
<b>Property and Equipment, Net</b>	51,946	61,176
<b>Right-of-Use Assets - Operating Leases</b>	79,485	106,653
Total Assets	\$ 1,669,500	\$ 1,565,423

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities:</b>		
Accounts Payable	\$ 27,371	\$ 45,873
Lines of Credit	74,263	-
Current Portion of Long-Term Operating Lease Liability	33,754	34,090
Accrued Expenses	26,380	1,823
Deferred Revenues	132,728	118,551
Total Current Liabilities	294,496	200,337
<b>Long-Term Lease Liability</b>	47,765	81,519
<b>Net Assets:</b>		
Without Donor Restrictions:		
Undesignated (Deficit)	(9,598)	48,645
Designated by the Board for Operating Reserve	50,000	50,000
	40,402	98,645
With Donor Restrictions:		
Perpetual in Nature	551,275	551,275
Purpose Restrictions	733,562	629,647
Time-Restricted for Future Periods	2,000	4,000
	1,286,837	1,184,922
Total Net Assets	1,327,239	1,283,567
Total Liabilities and Net Assets	\$ 1,669,500	\$ 1,565,423

See independent accountant's review report and the accompanying notes.

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025 (Reviewed)			2024 (Audited) As Restated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
	<b>Support and Revenue:</b>					
Contributions:						
Endowment - Investment Income	\$ -	\$ 96,102	\$ 96,102	\$ -	\$ 90,117	\$ 90,117
Individual	175,470	25,000	200,470	201,894	37,681	239,575
Corporate	40,535	-	40,535	35,442	42,530	77,972
Foundations	107,390	-	107,390	14,000	183,000	197,000
Board Members	24,787	-	24,787	19,953	9,793	29,746
League	50,000	-	50,000	45,550	-	45,550
Special Events	20,728	-	20,728	43,865	-	43,865
In-Kind Contributions	72,751	-	72,751	73,901	-	73,901
Government Grants	237,396	-	237,396	107,567	-	107,567
Program Service Fees:						
Admission, Subscription and Ticket Sales	380,710	-	380,710	664,735	-	664,735
Custom Hire/Fees for Service	77,721	-	77,721	90,915	-	90,915
Tuition and Dues	37,017	-	37,017	36,919	-	36,919
Interest Income	2,409	3,749	6,158	3,406	8,162	11,568
Employee Retention Credits and Other Income	115,703	-	115,703	7,716	-	7,716
Change in Beneficial Interest in League	25,116	-	25,116	30,252	-	30,252
<b>Total Support and Revenue</b>	<b>1,367,733</b>	<b>124,851</b>	<b>1,492,584</b>	<b>1,376,115</b>	<b>371,283</b>	<b>1,747,398</b>
Net Assets Released From Restriction	22,936	(22,936)	-	278,886	(278,886)	-
<b>Total Revenues and Other Support</b>	<b>1,390,669</b>	<b>101,915</b>	<b>1,492,584</b>	<b>1,655,001</b>	<b>92,397</b>	<b>1,747,398</b>
<b>Expenses:</b>						
Program Expenses	896,293	-	896,293	1,107,098	-	1,107,098
Supporting Services:						
Marketing	105,307	-	105,307	124,018	-	124,018
Development	109,054	-	109,054	151,495	-	151,495
General and Administrative Expenses	338,258	-	338,258	336,327	-	336,327
<b>Total Expenses</b>	<b>1,448,912</b>	<b>-</b>	<b>1,448,912</b>	<b>1,718,938</b>	<b>-</b>	<b>1,718,938</b>
<b>Change in Net Assets - As Restated for 2024</b>	<b>(58,243)</b>	<b>101,915</b>	<b>43,672</b>	<b>(63,937)</b>	<b>92,397</b>	<b>28,460</b>
<b>Net Assets - Beginning of Year</b>	<b>98,645</b>	<b>1,184,922</b>	<b>1,283,567</b>	<b>162,582</b>	<b>1,092,525</b>	<b>1,255,107</b>
<b>Net Assets - End of Year</b>	<b>\$ 40,402</b>	<b>\$ 1,286,837</b>	<b>\$ 1,327,239</b>	<b>\$ 98,645</b>	<b>\$ 1,184,922</b>	<b>\$ 1,283,567</b>

See independent accountant's review report and the accompanying notes.

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2025 (REVIEWED)

	Program Expenses	Supporting Services			Total Expenses 2025
		Marketing	Development	General and Administrative	
Salaries and Wages	\$ 457,927	\$ 69,918	\$ 61,045	\$ 85,716	\$ 674,606
Payroll Taxes	30,912	5,559	5,121	8,214	49,806
Employee Benefits	15,708	6,439	6,646	28,505	57,298
Professional Services	-	-	-	47,635	47,635
Office Expense	-	-	-	17,625	17,625
Lease Expense	-	-	-	31,078	31,078
Interest Expense	-	-	-	5,215	5,215
Depreciation	9,297	-	-	1,472	10,769
Insurance	-	-	-	21,091	21,091
Public Relations	15,052	23,391	-	-	38,443
Guest Artists	45,000	-	-	-	45,000
Concerts	265,299	-	-	-	265,299
Patron Services	57,015	-	-	-	57,015
In-Kind Donations	83	-	668	72,000	72,751
Other Expenses	-	-	35,574	19,707	55,281
<b>Total Expenses</b>	<b>\$ 896,293</b>	<b>\$ 105,307</b>	<b>\$ 109,054</b>	<b>\$ 338,258</b>	<b>\$ 1,448,912</b>

See independent accountant's review report and the accompanying notes.

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

FOR THE YEAR ENDED JUNE 30, 2024 (AUDITED)

	As Restated				Total Expenses 2024
	Program Expenses	Supporting Services		General and Administrative	
		Marketing	Development		
Salaries and Wages	\$ 481,162	\$ 78,650	\$ 46,625	\$ 78,945	\$ 685,382
Payroll Taxes	29,852	6,190	3,003	7,625	46,670
Employee Benefits	12,897	7,597	4,133	19,625	44,252
Professional Services	-	-	-	49,884	49,884
Office Expense	-	-	-	15,168	15,168
Lease Expense	-	-	-	30,887	30,887
Interest Expense	-	-	-	54	54
Depreciation	9,180	-	-	730	9,910
Insurance	-	-	-	38,070	38,070
Public Relations	5,601	31,581	-	-	37,182
Guest Artists	204,819	-	-	-	204,819
Concerts	290,135	-	-	-	290,135
Patron Services	71,951	-	-	-	71,951
In-Kind Donations	1,501	-	400	72,000	73,901
Other Expenses	-	-	97,334	23,339	120,673
<b>Total Expenses</b>	<b>\$ 1,107,098</b>	<b>\$ 124,018</b>	<b>\$ 151,495</b>	<b>\$ 336,327</b>	<b>\$ 1,718,938</b>

See independent accountant's review report and the accompanying notes.

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u> <u>(Reviewed)</u>	<u>2024</u> <u>(Audited)</u> <u>As Restated</u>
<b>Cash Flows from Operating Activities:</b>		
Change in Net Assets	\$ 43,672	\$ 28,460
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	10,769	9,910
Unrealized Gain on Investments	(96,102)	(90,117)
Change in Beneficial Interest in BR Symphony League	(25,116)	(30,252)
Amortization of Right-Of-Use Assets	31,078	30,887
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(156,861)	(2,988)
Prepaid Expenses and Other Assets	(2,469)	(5,130)
Unconditional Promises to Give - Without Donor Restrictions	2,000	9,120
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(18,502)	(20,347)
Accrued Expenses	24,557	1,823
Deferred Revenues	14,177	23,547
Operating Lease Liabilities	(38,000)	(30,000)
Net Cash Used In Operating Activities	<u>(210,797)</u>	<u>(75,087)</u>
<b>Cash Flows from Investing Activities:</b>		
Payments for Purchases of Property and Equipment	(1,538)	(13,879)
Net Proceeds (Purchases) of Investments	-	19,997
Net Cash Provided by (Used in) Investing Activities	<u>(1,538)</u>	<u>6,118</u>
<b>Cash Flows from Financing Activities:</b>		
Principal Draws (Repayments) on Line of Credit, Net	74,263	-
Net Cash Provided by Financing Activities	<u>74,263</u>	<u>-</u>
Net Decrease in Cash and Cash Equivalents	(138,072)	(68,969)
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>345,019</u>	<u>413,988</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 206,947</u>	<u>\$ 345,019</u>
<u>Recap of Cash</u>		
<b>Cash</b>	\$ 4,358	\$ 143,732
<b>Cash - Restricted</b>	<u>202,589</u>	<u>201,287</u>
	<u>\$ 206,947</u>	<u>\$ 345,019</u>

See independent accountant's review report and the accompanying notes.

# LOUISIANA SYMPHONY ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 (REVIEWED) AND 2024 (AUDITED)

### **Note 1 - Nature of Activities -**

The Louisiana Symphony Association, Inc. (the Association) was founded in 1947. The mission of the Association is to enhance the quality of life in our community through music.

### **Note 2 - Summary of Significant Accounting Policies -**

#### Basis of Presentation

The financial statements of the Association have been prepared on the accrual basis of accounting. The significant accounting policies followed are described to enhance the usefulness of the financial statements to the reader. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The Association is required to report information regarding its financial position and activities according to two classes of net assets: with and without donor restrictions.

Net Assets Without Donor Restrictions - not subject to donor-imposed restrictions. Net assets may be designated for specific purposes by action of the Board of Directors. Board designations include designation for reserves and other designations and are presented on the face of these financial statements.

Net Assets With Donor Restrictions - subject to donor-imposed restrictions. Some donor imposed restrictions are temporary in nature for future periods, such as those that will be met by the passage of time or other events specified by the donor, and some donor restrictions are restricted for purpose. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resource be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Net assets restricted in perpetuity include endowment funds on these financials.

#### Revenue Recognition

The Association recognizes revenue from program service fees after completion of these events which generally occurs in the same fiscal year that the proceeds are collected. Each program is a distinct performance obligation. If events are not held in the current year and postponed until the following year, the revenues related to those events would be deferred. The Association recognizes the exchange portion of subscription sales over the subscription period which expires and must be subsequently renewed at the end of each calendar year. Refunds and non-collection of fees have historically been insignificant.

Contributions, Grants and Tax Credit Income are discussed below:

See independent accountant's review report

## Contributions

Contributions received are recorded as support with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Association that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restriction, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

The Association has an endowment trust funded by contributions. Donor contributions without donor restrictions can be used at the Association's discretion. The principal for donor contributions with donor restrictions that are perpetual in nature must remain intact. Funds donated with restrictions on principal have been classified as perpetual in nature net assets with donor restrictions.

## Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give cash and other assets donated to the Association are reported at fair value on the date the promise is received. Due to the relatively short term nature of the promises to give, fair value equals the amount of the promise at June 30, 2025 and 2024.

## Grant Revenue Recognition

Grants which represent exchange transactions are recorded as a receivable as the grant dollars are spent. Grants which represent contributed support are recognized in the same manner as promises to give.

## Tax Credit Income

Tax credit income is recognized as a receivable when the application has been accepted and approved for payment by the governing body.

## Accounts Receivable and Deferred Revenue

The Association assesses the collectability of its trade accounts receivable using the direct write-off method. Under this method, trade accounts receivable are charged directly against earnings when they are determined by management to be uncollectible. Use of this method does not result in a material difference from the current expected credit loss (CECL) method (ASC Topic 326) required by U.S. generally accepted accounting principles. There was no bad debt expense for trade accounts receivable for the years ended June 30, 2025 and 2024.

Deferred revenue represents tickets for concerts that have been sold or sponsorships received prior to the date of the concert. After the concert is performed, the revenue from the concert will be realized and recorded as revenue. In the event any of the productions are not presented, the advance ticket collections and sponsorships for that concert will be available for refund to the ticket holders.

See independent accountant's review report

## Donated Assets, Goods and Services

Contributed services are reflected in the financial statements at their fair value of the services rendered. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Donated materials are reflected in the financial statements at their estimated values at the date of receipt. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

During the year ended June 30, 2025, the Association received donated professional services of \$72,000 that would typically be purchased if not provided as in-kind contribution. These contributions which require specialized skills, are recognized as in-kind contributions at fair value when the contribution is made and are expensed when the services are rendered. In addition, the Association received contributed materials with an estimated fair value of \$751. These materials were related to food and supplies for various musician dinners during the year. The estimated fair value of these professional services and materials is provided by the service providers or contractors.

During the year ended June 30, 2024, the Association received \$73,901 of in-kind contributions of services and materials, which consisted of \$72,000 of donated professional services and \$1,901 of materials for musician dinners.

A substantial number of unpaid volunteers have made a significant contribution of service to develop the Association's programs, principally in fund raising activities, operations, and board participation. The value of this service is not reflected in these statements since it does not meet the criteria for recognition, as described above.

## Property and Equipment

Property and equipment are stated at cost. The Association capitalizes all assets with an initial cost that is greater than \$500. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

## Income Taxes

The Association has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes. Accordingly, no provision for income taxes on related income has been included in the financial statements.

The Association files an income tax return in the U.S. federal jurisdiction. With few exceptions, the Association is no longer subject to federal tax examinations by tax authorities for years before 2021. Any interest and penalties assessed by income taxing authorities are not significant and are included in general and administrative expenses in these financial statements, if applicable.

The Association adopted the accounting guidance related to accounting for uncertain tax positions. In management's judgment, the Association does not have any tax positions that would result in a loss contingency considering the facts, circumstances, and information available at the reporting date.

See independent accountant's review report

### Cash and Cash Equivalents

The Association considers all highly liquid investments with maturities of three months or less at the date of acquisition to be “cash equivalents.” Cash and cash equivalents for purposes of the statements of cash flows excludes cash and cash equivalents in investments and amounts held in brokerage accounts that are perpetual in nature with donor restricted net assets.

The Association maintains cash balances at several financial institutions and brokerage houses. At various times during the year, the balances on deposit may exceed the limits insured by the Federal Deposit Insurance Corporation.

### Functional Allocation of Expenses

The costs of providing for the various programs and other activities of the Association have been summarized on their functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses are recorded directly in the program service or supporting service classification in which they were incurred except for salaries and wages which are allocated based on employee function.

### Estimates

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 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 and such differences may be material.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements. Actual results could differ from those estimates and such differences may be material.

### Investments and Investment Revenues

Investments in equity securities with readily determinable fair values and all investments in debt securities are recorded at fair value. Unrealized gains and losses and other investment income are recorded in current year operations as increases or decreases in net assets with donor restrictions until the gains and losses receive appropriation for expenditure.

Donated investments are recorded at market value at the date of receipt, which is then treated as cost. Realized gains and losses on dispositions are based on the net proceeds and the adjusted cost bases of the securities sold, using the specific identification method. These realized gains and losses flow through the Association’s current operations.

## Beneficial Interest in Baton Rouge Symphony League

In accordance with the *Transfers of Assets to a Not-for-Profit Organization that Raises or Holds Contributions for Others*, the net assets of the League are treated as a beneficial interest asset on the Association's financial statements. The effect of this guidance is for the Association to recognize an asset equal to the net assets of the League, similar to the equity method of accounting.

## Leases

The Association accounts for leases in accordance with Accounting Standards Codification (ASC) Topic 842, *Leases*. This guidance requires that right-of-use (ROU) assets and lease liabilities be recorded on the statement of financial position. The Association determines if an arrangement is a lease at inception, and leases are then classified as either operating or finance leases depending on the characteristics of the lease. Right-of-use (ROU) assets represent the Association's right to control the use of a specified asset for the lease term, and lease liabilities represent the Association's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. In determining the present value of the lease payments, the Association uses the risk-free discount rate when the discount rate is not implicit in the lease. Variable lease payments that are not index or rate based are recorded as expenses when incurred. The lease term is the non-cancelable period of the lease, including any options to extend, purchase, or terminate the lease depending on whether the Association is reasonably certain to exercise those options. Assumptions made by the Association at the commencement date are re-evaluated upon occurrence of certain events, including a lease modification when that modification is not accounted for as a separate contract.

The costs associated with operating leases are recognized on a straight-line basis, within operating expenses, over the period of the leases. The finance lease ROU assets are amortized on a straight-line basis within, operating expenses, over the shorter of their estimated useful lives or the lease terms, and interest expense incurred on the lease liabilities is included in interest expense. If the lease transfers ownership to the Association or the Association is reasonably certain to exercise an option to purchase the underlying asset, the ROU asset is amortized to the end of the useful life of the underlying asset.

The Association does not recognize ROU assets and lease liabilities on short term leases but recognizes lease expense for these leases on a straight-line basis over the lease terms and any variable lease payments in the period in which the obligation for those payments is incurred.

See Note 8 to these financial statements for additional information and disclosures related to operating leases, including qualitative and quantitative disclosures required by Topic 842.

## Reclassifications

Certain reclassifications may have been made to the 2024 financial statements to conform with the current year financial statements. Such reclassifications had no effect on previously reported changes in net assets.

## Subsequent Events

The management of the Association evaluated subsequent events and transactions for possible recognition or disclosure in the financial statements through December 22, 2025, the date which the financial statements were available to be issued.

See independent accountant's review report

### Note 3 - Receivables - With Donor Restrictions and Deferred Revenues -

In accordance with ASC Topic 606, Revenue from Contracts with Customers, the following amounts are included in the Statement of Financial Position at June 30, 2025 and 2024 under the following captions:

	2025 <u>(Reviewed)</u>	2024 <u>(Audited)</u>
<b>Accounts Receivable:</b>		
Receivables	\$ 169,336 *	\$ 12,475
<b>Current Liabilities:</b>		
Deferred Revenues	\$ 132,728	\$ 118,551

As of June 30, 2023, the Receivables totaled \$9,487, and Deferred Revenues totaled \$95,004.

\* Included in the receivables balance as of June 30, 2025, are \$141,561 of tax credit receivables from Louisiana Economic Development (LED) through the Musical and Theatrical Production Income Tax Credit Program. The Association received notice of these awards during 2025, and these receivables were collected subsequent to the year ended June 30, 2025.

### Note 4 - Liquidity and Availability -

The following reflects the Association's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

#### Financial Assets at Year-end:

Cash and Cash Equivalents	\$ 4,358
Restricted Cash	202,589
Investments - Restricted	362,550
Unconditional Promises to Give	2,000
Receivables	169,336
Endowment Assets	551,275
	<u>1,292,108</u>

Less amounts not available for general expenditures within one year, due to:

#### Contractual or donor-imposed restrictions:

Perpetual in Nature	(551,275)
Purpose Restrictions	(733,562)
Time-Restricted for Future Periods	(2,000)
	<u>(1,286,837)</u>

Financial assets available to meet cash needs for general expenditures within one year

\$ 5,271

The Louisiana Symphony Association, Inc. manages liquidity through a variety of methods. One method is the organization deploys structured ask windows and sequence drops with its development committee. Another is the introduction of additional funds on an as needed basis through \$250,000 in an available working capital line of credit. A third is management of its own box office, which provides stronger cash flow than not managing internally. A fourth method of liquidity management is through dedicated reserves.

See independent accountant's review report

As of June 30, 2024, the Association had \$(5,704) of financial assets available to meet cash needs for general expenditures within one year.

**Note 5 - Property and Equipment -**

A summary of property and equipment, accumulated depreciation, and related service lives at June 30, is as follows:

	<u>Estimated Service Lives</u>	<u>2025 (Reviewed)</u>	<u>2024 (Audited)</u>
Equipment	3 - 7 Years	\$ 4,713	\$ 3,174
Furniture and Fixtures	5 - 7 Years	80,783	80,783
Piano	20 Years	<u>92,750</u>	<u>92,750</u>
		178,246	176,707
Less: Accumulated Depreciation		<u>(126,300)</u>	<u>(115,531)</u>
		<u>\$ 51,946</u>	<u>\$ 61,176</u>

**Note 6 - Fair Value Measurements -**

The fair value measurement accounting literature provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 - inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2 - inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of assets or liabilities.
- Level 3 - inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024:

*Mutual funds:* Valued at the daily closing price as reported by the mutual fund. Mutual funds held by the Association are open-ended mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Association are deemed to be actively traded.

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The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the Association's assets at fair value on a recurring basis as of June 30, 2025 (Reviewed):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 117,699	\$ -	\$ -	\$ 117,699
Mutual Funds	<u>796,126</u>	<u>-</u>	<u>-</u>	<u>796,126</u>
Total Assets at Fair Value	<u>\$ 913,825</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 913,825</u>

The following table sets forth by level, within the fair value hierarchy, the Association's assets at fair value on a recurring basis as of June 30, 2024 (Audited):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 114,217	\$ -	\$ -	\$ 114,217
Mutual Funds	<u>703,507</u>	<u>-</u>	<u>-</u>	<u>703,507</u>
Total Assets at Fair Value	<u>\$ 817,724</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 817,724</u>

#### **Note 7 - Lines of Credit -**

The Association has an available line of credit totaling \$250,000 at June 30, 2025 and 2024, respectively, from a financial institution. The line of credit is secured with the Association's deposit accounts. The line of credit, related balances, maturities, and interest rates as of June 30, 2025 and 2024, respectively, are as follows:

2025			
<u>Financial Institution</u>	<u>Rate</u>	<u>Balance</u>	<u>Maturity</u>
First Horizon	8.44% (variable)	\$ 74,263	September 21, 2026
2024			
<u>Financial Institution</u>	<u>Rate</u>	<u>Balance</u>	<u>Maturity</u>
First Horizon	8.69% (variable)	\$ -	September 26, 2024

#### **Note 8 - Leases -**

The Association entered into an operating lease agreement for office and operations space. The initial lease terms generally range from 1 to 5 years for real estate leases. Leases with initial terms of 12 months or less are not recorded on the Statements of Financial Position, and the Association recognizes lease expense for these leases on a straight-line basis over the lease terms. Operating Lease Expense is included in Lease Expense in the Statement of Functional Expenses.

Many leases include options to terminate or renew, with renewal terms that can exceed the lease term from 1 to 5 years or greater. Lease renewal options are at the Association's discretion. The

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Association's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

The following table provides details of the lease contracts as of and for the years ended June 30, 2025 and 2024:

<b>Lease Expense:</b>	<u>2025</u> (Reviewed)	<u>2024</u> (Audited)
Operating Lease Expense	\$ 31,078	\$ 30,887

Additional information related to the lease contracts for the years ended June 30, 2025 and 2024 are as follows:

<b>Supplemental Cash Flow Information :</b>	<u>2025</u>	<u>2024</u>
Cash Paid for Amounts Included in the Measurement of Lease Liabilities		
Operating Cash Flows from Operating Leases	\$ 38,000	\$ 30,000
ROU Assets Obtained in Exchange for New Operating Lease Liabilities	\$ -	\$ -
<b>Other Information:</b>		
Weighted-average Remaining Lease Term in Years for Operating Leases	2.75	3.75
Weighted-average Discount Rate for Operating Leases	2.88%	2.88%

As of June 30, 2025 and 2024, operating lease liabilities consisted of the following:

	<u>2025</u> (Reviewed)	<u>2024</u> (Audited)
Current Portion of Long-Term Operating Lease Liabilities	\$ 33,754	\$ 34,090
Long-Term Operating Lease Liabilities	47,765	81,519
	<u>\$ 81,519</u>	<u>\$ 115,609</u>

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The maturities of the operating lease liabilities as of June 30, 2025 are as follows:

June 30, 2026	35,544
June 30, 2027	27,609
June 30, 2028	<u>21,321</u>
Total Undiscounted Cash Flows	84,474
Less: Present Value Discount	<u>(2,955)</u>
Total Lease Liabilities	<u><u>\$ 81,519</u></u>

**Note 9 - Net Assets with Donor Restrictions for Purpose or Time-Restricted for Future Periods -**

Net assets with donor restrictions were available for the following purposes at June 30, 2025 and 2024:

	2025 (Reviewed)	2024 (Audited)
88 Keys	\$ 134,266	\$ 126,018
Endowment Income - Education	407,659	319,804
PGP Funds	21,707	20,478
Guest Artist Fund	82,125	77,794
Multi-year Promises to Give	2,000	4,000
Artistic Excellence	<u>87,805</u>	<u>85,553</u>
Total	<u><u>\$ 735,562</u></u>	<u><u>\$ 633,647</u></u>

**Note 10 - Net Assets with Donor Restrictions for Purpose or Time-Restricted for Future Periods Released from Restrictions -**

Net assets released from donor restrictions for incurring program related expenses satisfying the restricted purposes were as follows for the years ended June 30, 2025 and 2024:

	2025 (Reviewed)	2024 (Audited)
Multi-year Promises to Give	\$ 2,000	\$ 9,120
PGP Funds	-	246,766
Guest Artist Fund	<u>20,936</u>	<u>23,000</u>
Total	<u><u>\$ 22,936</u></u>	<u><u>\$ 278,886</u></u>

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**Note 11 - Unconditional Promises to Give -**

Unconditional promises to give at June 30, 2025 and 2024 are as follows:

	2025 <u>(Reviewed)</u>	2024 <u>(Audited)</u>
Receivable in Less Than One Year	\$ 2,000	\$ 4,000
Total Unconditional Promises to Give	<u>\$ 2,000</u>	<u>\$ 4,000</u>

**Note 12 - Endowed Net Assets -**

Effective July 1, 2010, the Louisiana legislature enacted Act No. 168 (“Act”) to implement the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as the standard for the management and investment of institutional funds in Louisiana. The Act permits an organization to appropriate for expenditure or accumulate so much of an endowment fund as the organization determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund was established, subject to the intent of the donor as expressed in the gift instrument. As of June 30, 2025 and 2024, the Association holds net assets with donor restrictions that are perpetual in nature within an endowment account at Merrill Lynch. The principal amounts of \$551,275 and \$551,275 as a result of the donations received shall not be expended for any purpose whatsoever as of June 30, 2025 and 2024, respectively. The earnings of these funds are deposited in net assets with donor restrictions. Earnings, net of fees, for the year ended June 30, 2025 and 2024 amounted to \$96,102 and \$90,117 respectively. The funds are under the direction and control of the Executive Director of the Association, and he only acts with Finance Committee or Board approval, as appropriate. During the life of the donor for each endowment, an annual report of the expenditure of endowment income shall be made to the Donor(s) or his/her designee(s). There was no change in the principal amount of the endowed account during the years ended June 30, 2025 and 2024.

**Note 13 - Commitment and Contingencies -**

The Paycheck Protection Program (PPP) loans are subject to audit for six years from the date of forgiveness. Department of Treasury guidance states that loans over \$2 million will be fully audited and loans under \$2 million are subject to random audits. If audited, the SBA could redetermine the amount of forgiveness. The Association received two PPP loans (both of which were forgiven in 2021) for a total of \$176,027.

**Note 14 - Schedule of Compensation, Benefits, and Other Payments to Chief Executive Officer -**

<b>Purpose:</b>	<u>Marshall Carby 2025</u>
Salary	\$ 97,612
Benefits - Insurance	4,764
Benefits - Retirement	3,850
Relocation Reimbursement	7,000
Other	2,196
Total	<u>\$ 115,422</u>

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### **Note 15 - Employee Retention Credits -**

The Economic Aid Act of 2021 allowed for companies who received original funds under the CARES Act in 2020 to also retroactively claim retention credits if certain eligibility requirements were met. The credits allowed for 2020 were equal to 50% of wages up to \$10,000 or a maximum credit per employee for \$5,000 per applicable quarter.

The Taxpayer Certainty and Disaster Tax Relief Act of 2020 (Relief Act) enacted December 27, 2020, amended and extended the employee retention credit provisions under the CARES Act to the first and second calendar quarters of 2021. The provisions of the Relief Act were subsequently extended to include the third calendar quarter of 2021. The 2021 credits equal 70% of wages up to \$10,000 or a maximum credit per employee of \$7,000 per applicable quarter.

The Association met the eligibility requirements for all applicable quarters in 2020 and 2021, and the applicable filings were submitted to the IRS. During 2025, the Association received and recognized employee retention credit income in the amount of \$107,155 (net of preparer fees), which is included in Employee Retention Credits and Other Income within these financial statements.

### **Note 16 - Prior Period Adjustment -**

The financial statements as of and for the year ended June 30, 2024, have been restated to correct two errors:

1. A venue invoice totaling \$21,595 related to a fiscal year 2024 performance was not received timely and therefore missed the cutoff of being recorded as accounts payable and expenses in the 2024 financial statements. A correction for this issue is included in the 2024 restated financial statements. The previously reported accounts payable and concerts expense were \$24,278 and \$268,540, respectively. The restated accounts payable and concerts expense is \$45,873 and \$290,135, respectively.
2. It was noted during the 2025 review, that the adjustment to the 2024 Beneficial Interest in BR symphony league was calculated in error resulting in a \$35,000 difference between the amount captured in the Association's financial statements and the reported 2024 results of the BR Symphony League financial statements. The previously reported beneficial interest asset and change in beneficial interest income were \$247,694 and \$65,252, respectively. The restated beneficial interest asset and change in beneficial interest income is \$212,694 and \$30,252, respectively.

The correction of these two errors resulted in a combined \$56,595 reduction to the previously reported 2024 change in net assets and ending net assets without donor restriction. The previously reported change in net assets and net assets - end of year was \$85,055 and \$1,340,162, respectively. The restated change in net assets and net assets - end of year is \$28,460 and \$1,283,567, respectively.

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OTHER INFORMATION



Independent Accountant's Report on  
Applying Agreed-Upon Procedures

To the Board of Directors  
Louisiana Symphony Association, Inc.  
Baton Rouge, Louisiana

We have performed the procedures enumerated below on the Louisiana Symphony Association, Inc. (the "Association") compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2025, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Association's management is responsible for its financial records and compliance with applicable laws and regulations.

The Association has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Association's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended June 30, 2025. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

The Association provided us with the following list of expenditures made for State grant awards received (accrual basis) during the fiscal year ended June 30, 2025:

Federal, State, or Local Grant Name	Grant Year	AL No. (if applicable)	Amount
Louisiana Economic Development (LED) Musical and Theatrical Production Tax Credit	Years prior to 2024	N/A	\$141,561
City of Baton Rouge and Parish of East Baton Rouge Cooperative Endeavor Agreement (CEA)	7/1/24-6/30/25	N/A	\$82,935
Louisiana Division of the Arts General Operating Support Grant	7/1/24-6/30/25	N/A	\$12,900
Total Expenditures			\$237,396

The Association represented that they received no federal or other local government grant awards during the fiscal year ended June 30, 2025.

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.
  - Louisiana Economic Development (LED) Musical and Theatrical Production Tax Credit - the funds received under this tax credit was for applicable expenditures occurred in prior periods. There were no expenditures for the year ended June 30, 2025, applicable to these funds. Therefore, no disbursements were tested.
  - City of Baton Rouge and Parish of East Baton Rouge Cooperative Endeavor Agreement (CEA) - The funds received under the CEA are for general support for the Association to fulfill its mission of enhancing the quality of life in the community through music. There is no explicit budget of specific expenditures per the terms of the CEA, nor does the CEA require any support to provide funding. We obtained management's representations regarding no specified budget being included in the CEA. Therefore, no disbursements were tested.
  - Louisiana Division of the Arts General Operating Support Grant - the funds received under this grant were for general operating support. There is no explicit budget of specific expenditures per the terms of the grant agreement, nor does the grant agreement require any support to provide funding. We obtained management's representations regarding no specified budget being included in the grant agreement. Therefore, no disbursements were tested.
3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.
  - Not applicable, see response in Procedure 2.
4. Report whether the selected disbursements were coded to the correct fund and general ledger account.
  - Not applicable, see response in Procedure 2.
5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.
  - Not applicable, see response in Procedure 2.
6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.
  - There were no disbursements made for federal grant awards.
  - Regarding state or local grant awards, we obtained each grant agreement. However, per response in Procedure 2, disbursement testing was not applicable.

## Reporting

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.
  - No close-out reports were required under the agreements with Louisiana Economic Development, City of Baton Rouge, and Louisiana Division of the Arts. We obtained

management's representations that, to their knowledge, there were no required close-out reports required during fiscal year 2025.

#### Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meetings Law" available on the Legislative Auditor's website at [https://app.la.state.la.us/lla.nsf/BAADB2991272084786257AB8006EE827/\\$FILE/Open%20Meetings%20Law%20FAQ.pdf](https://app.la.state.la.us/lla.nsf/BAADB2991272084786257AB8006EE827/$FILE/Open%20Meetings%20Law%20FAQ.pdf), to determine whether a non-profit agency is subject to the open meetings law.
  - The Association is not subject to the open meetings law.

#### Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.
  - The Association received \$141,561 of the public funds in the fiscal year that were from tax credits that are not applicable to this Procedure. Additionally, the remaining \$95,835 of public funds received by the Association were for general operations support and did not have specific budget requirements attached to the grant award.

#### State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.
  - The June 30, 2024, audit was due December 31, 2024 and was submitted through the Local Government Reporting System on December 23, 2024. The Association's current (June 30, 2025) report will be submitted the Legislative Auditor on or before the statutory due date of December 31, 2025.
11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).
  - The Association's management represented that the Association did not enter into any contracts during the fiscal year that were subject to the public bid law, and we sighted no evidence of public bid law requirements in each of the grant agreements that were reviewed.

#### Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.
  - No prior year findings were noted. Prior year suggestions are being evaluated by management for implementation as necessary.

We were engaged by Louisiana Symphony Association, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the

Association's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Louisiana Symphony Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the Louisiana Symphony Association, Inc.'s compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana  
December 22, 2025

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

**SUMMARY SCHEDULE OF FINDINGS**

**FOR THE YEAR ENDED JUNE 30, 2025**

None.

**LOUISIANA SYMPHONY ASSOCIATION, INC.**

**SUMMARY SCHEDULE OF PRIOR FINDINGS**

FOR THE YEAR ENDED JUNE 30, 2025

None.