

LE PETIT THEATRE DU VIEUX CARRE

FINANCIAL STATEMENTS

June 30, 2025 and 2024



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Le Petit Theatre du Vieux Carre
New Orleans, Louisiana

Opinion

We have audited the financial statements of Le Petit Theatre du Vieux Carre (a nonprofit organization), which comprise the statements of financial position as of June 30, 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 accompanying financial statements present fairly, in all material respects, the financial position of Le Petit Theatre du Vieux Carre as of June 30, 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 and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Le Petit Theatre du Vieux Carre 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 Le Petit Theatre du Vieux Carre's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Le Petit Theatre du Vieux Carre'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 Le Petit Theatre du Vieux Carre's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 25, 2025 on our consideration of Le Petit Theatre du Vieux Carre's, internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Le Petit Theatre du Vieux Carre's internal control over financial reporting and compliance.

Metairie, Louisiana
December 4, 2025

Wegmann Dazet, APC

**LE PETIT THEATRE DU VIEUX CARRE
STATEMENTS OF FINANCIAL POSITION**

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 211,603	\$ 134,529
Promises to give, net	215,246	15,003
Other receivable	381,197	286,893
Prepaid expenses	<u>67,762</u>	<u>14,009</u>
Total current assets	<u>875,808</u>	<u>450,434</u>
Beneficial interest in assets held by Greater New Orleans Foundation	358,518	328,296
Investments - board designated endowments	1,485,270	1,493,370
Right-of-use operating asset, net	147,613	173,305
Property and equipment, net	2,125,242	2,217,324
Deposits	<u>3,839</u>	<u>3,839</u>
Total assets	<u><u>\$ 4,996,290</u></u>	<u><u>\$ 4,666,568</u></u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 29,881	\$ 46,869
Accrued expenses	14,575	6,628
Refundable advances	45,900	61,600
Deferred revenue	176,472	145,215
Current portion of operating lease liability	<u>30,570</u>	<u>19,957</u>
Total current liabilities	<u>297,398</u>	<u>280,269</u>
Operating lease liability, net	<u>147,602</u>	<u>178,172</u>
Total liabilities	<u><u>445,000</u></u>	<u><u>458,441</u></u>
NET ASSETS		
Net assets		
Without donor restrictions		
Board designated	1,622,309	1,590,409
Undesignated	<u>2,311,963</u>	<u>2,214,026</u>
Total net assets	<u><u>3,934,272</u></u>	<u><u>3,804,435</u></u>
With donor restrictions		
Purpose and time restrictions	258,500	75,396
Restrictions perpetual in nature	<u>358,518</u>	<u>328,296</u>
Total net assets	<u><u>617,018</u></u>	<u><u>403,692</u></u>
Total net assets	<u><u>4,551,290</u></u>	<u><u>4,208,127</u></u>
Total liabilities and net assets	<u><u>\$ 4,996,290</u></u>	<u><u>\$ 4,666,568</u></u>

See accompanying Notes to Financial Statements.

LE PETIT THEATRE DU VIEUX CARRE
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, support and gains			
Government grants	\$ 237,119	\$ -	\$ 237,119
Theatre revenue	803,818	-	803,818
Donations	564,693	318,850	883,543
Education	20,488	-	20,488
Net investment return	125,505	45,833	171,338
In-kind contributions	12,856	-	12,856
Other revenue	9,323	-	9,323
Net assets released from restrictions	<u>151,357</u>	<u>(151,357)</u>	<u>-</u>
Total revenues, support and gains	<u>1,925,159</u>	<u>213,326</u>	<u>2,138,485</u>
Expenses			
Program services			
Productions	1,174,982	-	1,174,982
Education and outreach	70,019	-	70,019
Supporting services			
General and administrative	390,295	-	390,295
Fundraising	<u>160,026</u>	<u>-</u>	<u>160,026</u>
Total expenses	<u>1,795,322</u>	<u>-</u>	<u>1,795,322</u>
Change in net assets	129,837	213,326	343,163
Net assets			
Beginning of year	<u>3,804,435</u>	<u>403,692</u>	<u>4,208,127</u>
End of year	<u>\$ 3,934,272</u>	<u>\$ 617,018</u>	<u>\$ 4,551,290</u>

See accompanying Notes to Financial Statements.

LE PETIT THEATRE DU VIEUX CARRE
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, support and gains			
Government grants	\$ 136,893	\$ -	\$ 136,893
Theatre revenue	732,963	-	732,963
Donations	343,877	65,303	409,180
Education	5,236	-	5,236
Net investment return	149,050	36,152	185,202
In-kind contributions	28,459	-	28,459
Other revenue	44,682	-	44,682
Net assets released from restrictions	<u>111,852</u>	<u>(111,852)</u>	<u>-</u>
Total revenues, support and gains	<u>1,553,012</u>	<u>(10,397)</u>	<u>1,542,615</u>
Expenses			
Program services			
Productions	1,315,801	-	1,315,801
Education and outreach	42,806	-	42,806
Supporting services			
General and administrative	355,477	-	355,477
Fundraising	<u>133,126</u>	<u>-</u>	<u>133,126</u>
Total expenses	<u>1,847,210</u>	<u>-</u>	<u>1,847,210</u>
Change in net assets	(294,198)	(10,397)	(304,595)
Net assets			
Beginning of year	<u>4,098,633</u>	<u>414,089</u>	<u>4,512,722</u>
End of year	<u>\$ 3,804,435</u>	<u>\$ 403,692</u>	<u>\$ 4,208,127</u>

See accompanying Notes to Financial Statements.

LE PETIT THEATRE DU VIEUX CARRE
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2025

	Program Services		Supporting Services		Total Expenses
	Productions	Education and Outreach	Fundraising	General and Administrative	
Bank, credit card, and ticket sales fees	\$ -	\$ -	\$ -	\$ 61,043	\$ 61,043
Bad debt expense	-	-	-	-	-
Building maintenance	20,164	-	-	2,088	22,252
Development	-	-	27,758	-	27,758
Depreciation	-	-	-	102,536	102,536
Directors and officers insurance	-	-	-	3,823	3,823
Dues and subscriptions	-	-	-	5,392	5,392
Employee benefits	13,528	4,210	4,391	2,070	24,199
Events expense	17,922	-	46,071	-	63,993
Housing and travel	10,050	-	-	-	10,050
Insurance	47,916	3,194	3,194	9,584	63,888
In-kind expense	-	-	-	-	-
Marketing	110,185	-	3,000	3,090	116,275
Meals and entertainment	-	-	-	147	147
Meeting	-	-	-	-	-
Payroll processing	-	-	-	4,313	4,313
Payroll taxes and employee benefits	19,627	3,029	6,026	6,285	34,967
Postage and delivery	-	-	-	2,182	2,182
Production	619,454	4,325	1,578	-	625,357
Professional development	-	-	-	-	-
Professional services	-	-	-	76,732	76,732
Rent expense	14,645	-	-	24,317	38,962
Repairs and maintenance	-	-	-	-	-
Salary and wages	249,629	33,177	66,014	68,852	417,672
Taxes, licenses, and fees	-	-	-	242	242
Supplies	1,994	20,662	572	4,272	27,500
Travel	-	-	-	12,615	12,615
Workers compensation	10,667	1,422	1,422	712	14,223
Utilities	39,201	-	-	-	39,201
 Total expenses	 \$ 1,174,982	 \$ 70,019	 \$ 160,026	 \$ 390,295	 \$ 1,795,322

See accompanying Notes to Financial Statements.

LE PETIT THEATRE DU VIEUX CARRE
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2024

	Program Services		Supporting Services		Total Expenses
	Productions	Education and Outreach	Fundraising	General and Administrative	
Bank, credit card, and ticket sales fees	\$ -	\$ -	\$ -	\$ 46,999	\$ 46,999
Bad debt expense	-	-	-	674	674
Building maintenance	24,225	-	-	4,025	28,250
Development	-	-	24,456	-	24,456
Depreciation	44,674	-	-	50,148	94,822
Directors and officers insurance	-	-	-	1,269	1,269
Dues and subscriptions	-	-	-	5,303	5,303
Employee benefits	14,859	1,495	2,405	4,540	23,299
Events expense	23,178	-	39,155	-	62,333
Housing and travel	26,731	-	-	-	26,731
Insurance	92,646	6,176	6,176	18,530	123,528
Marketing	124,344	-	6,000	1,883	132,227
Meals and entertainment	-	-	-	187	187
Meeting	-	-	-	12	12
Payroll processing	-	-	-	2,964	2,964
Payroll taxes and employee benefits	19,655	2,176	2,965	5,598	30,394
Postage and delivery	-	-	-	3,171	3,171
Production	606,975	-	14,209	-	621,184
Professional development	-	-	-	3,000	3,000
Professional services	-	-	-	70,264	70,264
Rent expense	26,095	-	-	29,292	55,387
Repairs and maintenance	-	-	-	4,810	4,810
Salary and wages	262,165	26,398	35,968	67,906	392,437
Taxes, licenses, and fees	-	-	-	6,080	6,080
Supplies	1,942	4,878	109	10,074	17,003
Travel	-	-	-	17,906	17,906
Workers compensation	12,625	1,683	1,683	842	16,833
Utilities	35,687	-	-	-	35,687
 Total expenses	 \$ 1,315,801	 \$ 42,806	 \$ 133,126	 \$ 355,477	 \$ 1,847,210

See accompanying Notes to Financial Statements.

LE PETIT THEATRE DU VIEUX CARRE
STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ 343,163	\$ (304,595)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	102,536	94,822
Amortization of operating leased asset, net	25,692	10,230
Net realized and unrealized gain	(148,412)	(170,526)
Change in beneficial interest in assets held by GNOF	(30,222)	(21,349)
(Increase) decrease in operating assets:		
Promises to give, net	(200,243)	16,080
Other receivable	(94,304)	(136,893)
Prepaid expenses	(53,753)	11,754
Right-of-use operating asset, net	-	(78,140)
Increase (decrease) in operating liabilities:		
Accounts payable	(16,988)	20,432
Accrued expenses	7,947	942
Deferred revenue	31,257	31,610
Refundable advances	(15,700)	22,600
Operating lease liability	(19,957)	89,962
Net cash used by operating activities	<u>(68,984)</u>	<u>(413,071)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(10,454)	(16,338)
Sales and maturities of investments	<u>156,512</u>	<u>182,319</u>
Net cash provided by investing activities	<u>146,058</u>	<u>165,981</u>
Net increase (decrease) in cash	77,074	(247,090)
Cash and cash equivalents at beginning of year	<u>134,529</u>	<u>381,619</u>
Cash and cash equivalents at end of year	<u>\$ 211,603</u>	<u>\$ 134,529</u>

See accompanying Notes to Financial Statements.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

1) Nature of activities

Le Petit Theatre du Vieux Carre (the “Theatre”) is a non-profit theatre established in 1916 to present theatrical performances for the community. The mission of the Theatre is to provide a wide range of quality theatrical productions and programming to entertain, enrich and educate the diverse population of the region, and enhance the economic vitality of the Greater New Orleans community.

2) Summary of significant accounting policies

The significant accounting policies followed by the Theatre are summarized as follows:

a) Financial statement presentation

The Financial Accounting Standards Board (“FASB”) promulgates accounting principles generally accepted in the United States of America and reporting standards for Not-for-Profit entities. The accompanying financial statements have been prepared in accordance with such principles.

b) Cash and cash equivalents

All cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

c) Promises to give

The Theatre records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. Allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. Write offs of uncollectable promises to give in the amounts of \$-0- and \$674 were recorded in 2025 and 2024, respectively. Management believes all promises to give are collectable.

Promises to give were as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Promises to give, beginning of year	\$ 15,003	\$ 31,083
Promises to give, end of year	\$ 215,246	\$ 15,003

d) Property and equipment

Property and equipment additions over \$2,500 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 5 to 39 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

d) Property and equipment (continued)

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended June 30, 2025 and 2024.

e) Deferred revenue

Deferred revenues represents revenues collected but not earned as of June 30, 2025 and 2024. This is composed of revenue for theatre productions, theatre rental, and subscriptions, that will take place the following fiscal year.

f) Right of use leased assets and liabilities

Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent the Theatre's right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases. The Theatre recognized the following assets and liabilities as a result of this standard:

	<u>2025</u>	<u>2024</u>
Assets obtained for operating lease liabilities	<u>\$ -</u>	<u>\$ 78,140</u>
Liabilities assumed for operating lease assets	<u>\$ -</u>	<u>\$ (89,962)</u>

g) Beneficial interest in assets held by Greater New Orleans Foundation ("GNOF")

The Theater established an endowment fund with the GNOF that is perpetual in nature and named the Theatre as beneficiary. The fund is held and invested by GNOF for the Theatre's benefit and is reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

h) Net assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, a board-designated endowment.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

h) Net assets (continued)

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Theatre reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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.

i) Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return (loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Investments are exposed to various risks, such as significant world events, interest rates, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

j) Revenue and revenue recognition

The Theatre recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received.

Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Investor contributions and sponsorships can be comprised of an exchange element based on the value provided, and a contribution element for the difference between the total amount paid and the exchange element. The exchange portions of investor contributions and sponsorships are recognized when the related performance obligations are met, and the contribution portion is recognized immediately.

The Theatre generates revenue through the sale of tickets to its customers. Revenue from the sale of tickets is recognized over time, as the performances are held. The Theatre generates revenue through the rental of the Theatre to customers. Revenue from the rental of the Theatre is recognized over the lease term.

A portion of the Theatre's revenue is sometimes derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Theatre has incurred expenditures in compliance with specific contract or grant provisions.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

k) In-kind contributions

Contributed nonfinancial assets may include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. The Theatre does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

l) Fundraising

All expenses associated with fundraising events are expensed as incurred.

m) Functional expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Program, education, rental, and fundraising expenses, when specifically identifiable, are classified to the function which incurred the expense. Expenses allocated using management's estimate of time and effort include, payroll, payroll taxes and employee benefits.

n) Taxes

The Theatre is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. The Theatre has filed for and received income tax exemptions in the various jurisdictions where it is required to do so. The Theatre files Form 990 tax returns in the U.S. federal jurisdiction and in Louisiana.

The Theatre adopted the provisions of Accounting Standards Codification ("ASC") 740, *Accounting for Uncertainty in Income Taxes*. Management of the Theatre believes it has no material uncertain tax positions and, accordingly it has not recognized any liability for unrecognized tax benefits. With few exceptions, the Theatre is no longer subject to U.S. federal, state and local, or income tax examinations by tax authorities beyond three years from the filing of those returns.

o) Geographic concentration

The Theatre's operations are concentrated in the Greater New Orleans Region. Accordingly, economic, and environmental phenomena will very likely have an impact on the Theatre's operating results.

p) Financial instruments and credit risk

Financial instruments that potentially subject the Theatre to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to certain limits. The Theatre has not experienced any losses in such accounts. The Theatre has no policy requiring collateral or other security to support its deposits.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

q) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Theatre to make estimates and assumptions that affect the reported amounts of 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 those differences could be material.

3) Refundable advances

As of fiscal years ended June 30, 2025 and 2024, refundable advances amounted to \$45,900 and \$61,600, respectively. These advances constitute funds received with an obligation to refund the amounts in the future. The Theatre acknowledges its responsibility to utilize these funds for their designated purposes and commits to returning them if conditions specified for refund are met.

4) Revenue from contracts with customers

The Theatre may sell tickets for the subsequent theatrical season before the fiscal year ends. Advance ticket sales are recognized as deferred revenue on the statements of financial position. As each production is presented, the portion of the advance sales collections that pertain to that production are recognized as revenue on the statements of activities. In the event of any of the scheduled productions for the subsequent season are not presented, the advance ticket collections for that production will be available for refund to the purchaser.

The following table provided information about significant changes in deferred revenue for the years ended December 31, 2025, and 2024:

	<u>2025</u>	<u>2024</u>
Deferred revenue, beginning of year	\$ 145,215	\$ 113,605
Increase in deferred revenue due to cash received during the period	185,472	232,515
Decrease in deferred revenue due to performance obligation fulfilled	(154,215)	(200,905)
Deferred revenue, end of year	<u>\$ 176,472</u>	<u>\$ 145,215</u>

5) Economic dependence

In 2025, the Theatre received approximately 11% of its revenue from government grants, 38% from the Theatre's services, and 41% from donations. In 2024, the Theatre received approximately 48% of its revenue from the Theatre's services, 27% from donations, and 12% from net investment gains.

In 2025, the Theatre had one donor that made up approximately 12% of total revenues, support, and gains.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

6) Property and equipment

Property and equipment consists of the following:

	<u>2025</u>	<u>2024</u>
Building and improvements	\$ 3,491,720	\$ 3,491,720
Land	7,600	7,600
Equipment	413,969	403,515
Furniture and fixtures	<u>101,947</u>	<u>101,947</u>
Total costs	4,015,236	4,004,782
Accumulated depreciation	<u>(1,889,994)</u>	<u>(1,787,458)</u>
Total property and equipment, net	<u><u>\$ 2,125,242</u></u>	<u><u>\$ 2,217,324</u></u>

7) In-kind donations

For the years ended June 30, 2025 and 2024, contributed nonfinancial assets recognized within the statements of activities included the following:

	<u>2025</u>	<u>2024</u>
Advertising	\$ -	\$ 3,000
Event space	11,278	11,250
Costumes	<u>1,578</u>	<u>14,209</u>
Total in-kind donations	<u><u>\$ 12,856</u></u>	<u><u>\$ 28,459</u></u>

Contributed advertising, event space and costumes are valued using estimated prices of identical or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution.

8) Lease

The Theatre entered into an operating lease agreement for office space. The lease expires on June 30, 2027 with options to renew. Total rent expense was \$38,962 and \$55,387 for the years ended June 30, 2025 and 2024, respectively. At June 30, 2025, the remaining lease term for the operating lease was approximately 5 years. The discount rate for the operating lease was 5.0%.

Maturities of the lease liability recorded on the statements of financial position as of June 30, 2025 are as follows:

For the years ending June 30:	Amount
2026	\$ 38,100
2027	39,930
2028	41,787
2029	43,042
2030	<u>36,760</u>
Total	<u>199,619</u>
Less: present value discount	<u>(21,447)</u>
Operating lease liability	<u>178,172</u>
Less: current portion of operating lease liability	<u>(30,570)</u>
Long term portion of operating lease liability	<u><u>\$ 147,602</u></u>

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

9) Net assets with donor restrictions

Net assets with donor restrictions are restricted as follows:

	<u>2025</u>	<u>2024</u>
Subject to expenditure for specific purpose		
Education programs	\$ 108,500	\$ 75,396
Subject to the passage of time	<u>150,000</u>	<u>-</u>
	<u>258,500</u>	<u>75,396</u>

Endowments perpetual in nature, earnings from which are subject to spending policy

Harold Newman Endowment Fund	294,598	269,362
Le Petit Theatre Endowment Fund	63,920	58,934
	<u>358,518</u>	<u>328,296</u>
Total net assets with donor restrictions	<u>\$ 617,018</u>	<u>\$ 403,692</u>

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events are as follows:

	<u>2025</u>	<u>2024</u>
Satisfaction of purpose restriction		
Education programming	\$ 11,895	\$ -
Production costs	73,850	97,046
Investment income withdrawal	15,612	14,806
Satisfaction due to passage of time	50,000	-
Total net assets released from restrictions	<u>\$ 151,357</u>	<u>\$ 111,852</u>

10) Promises to give

Promises to give are estimated to be collected as follows:

	<u>2025</u>	<u>2024</u>
Within one year	\$ 79,084	\$ 15,003
In two to five years	<u>150,000</u>	<u>-</u>
	<u>229,084</u>	<u>15,003</u>
Less discount to net present value at 5%	<u>(13,838)</u>	<u>-</u>
Promises to give appear as follows in the statements of financial position:	<u><u>\$ 215,246</u></u>	<u><u>\$ 15,003</u></u>

11) Liquidity and availability

Financial assets available for general expenditure without donor or other restrictions limiting use within the coming year comprise the following:

Financial assets:

Cash and cash equivalents	\$ 211,603
Promises to give	215,246
Other receivable	381,197
Less, with donor restrictions for specified purpose or passage of time	<u>(617,018)</u>
Financial assets available for general expenditure	<u><u>\$ 191,028</u></u>

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

11) Liquidity and availability (continued)

The Theatre manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

12) Fair value measurement

ASC 820, *Fair Value Measurements and Disclosures* establishes 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 or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 in the methodologies used as of June 30, are described below:

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

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets or liability'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 to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at June 30, 2025 and 2024.

The following is a description of the valuation methodologies used for assets measured at fair value.

Investments whose values are based on quoted market prices in active markets, and are therefore classified as Level 1, include money market funds and cash, mutual funds, exchange traded funds, certain domestic and foreign common stocks, certain real estate investment trusts, certain domestic and foreign corporate bonds, U.S. government obligations, and certain municipal bonds.

Investments classified as Level 2 generally include certain domestic common stock, certain real estate investment funds, certain domestic corporate bonds, State of Israel bonds and certain municipal bonds. Other financial instruments classified as Level 2 include liabilities under split-interest agreements, the fair value of which is based on the present value of estimated future payments based on observable inputs.

The Theatre does not have any Level 3 investments.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

12) Fair value measurement (continued)

Furthermore, while the Theatre believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

In accordance with ASC 820-10, other investments are measured at fair value using the Net Asset Value (“NAV”) per share (or its equivalent) practical expedient and have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented on the statements of financial position.

The following tables sets forth by level, within the fair value hierarchy, the Theatre’s assets at fair value as of June 30, 2025 and 2024:

	Assets at Fair Value as of June 30, 2025		
	Level 1	Level 2	Total
Money market funds	\$ 117,341	\$ -	\$ 117,341
Mutual funds	315,306	-	315,306
Exchange traded funds	759,469	-	759,469
Common stocks - domestic	125,170	-	125,170
Corporate bonds - domestic	146,568	44,390	190,958
U.S. Government obligations	126,236	-	126,236
State of Israel bonds	-	15,582	15,582
Municipal bonds	-	5,793	5,793
Corporate bonds - foreign	1,727	-	1,727
Total assets at fair value	<u>\$ 1,591,817</u>	<u>\$ 65,765</u>	<u>\$ 1,657,582</u>
Investments recorded at NAV as practical expedient			<u>186,206</u>
			<u><u>\$ 1,843,788</u></u>

	Level 1	Level 2	Total
Money market funds	\$ 77,741	\$ -	\$ 77,741
Mutual funds	314,416	-	314,416
Exchange traded funds	739,051	-	739,051
Common stocks - domestic	122,124	-	122,124
Corporate bonds - domestic	186,721	25,120	211,841
U.S. Government obligations	146,818	-	146,818
State of Israel bonds	-	10,023	10,023
Municipal bonds	-	19,214	19,214
Corporate bonds - foreign	1,605	-	1,605
Common stocks - foreign	202	-	202
Total assets at fair value	<u>\$ 1,588,678</u>	<u>\$ 54,357</u>	<u>\$ 1,643,035</u>
Investments recorded at NAV as practical expedient			<u>178,631</u>
			<u><u>\$ 1,821,666</u></u>

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

13)

Investments

The Theatre maintains endowments that are included on its statements of financial position. The Le Petit Theatre Fund and The Harold Newman Fund are administered by the Theatre. The board designated endowment is administered by the Jewish Endowment Theatre of Louisiana.

The investments as of June 30, 2025 and 2024 are summarized as follows:

	2025 Fair Costs	2025 Fair Value	2024 Fair Value
Endowment Fund Investments	\$ 236,235	\$ 358,518	\$ 328,296
Board Designated Endowment	<u>1,377,565</u>	<u>1,485,270</u>	<u>1,493,370</u>
	<u><u>\$ 1,613,800</u></u>	<u><u>\$ 1,843,788</u></u>	<u><u>\$ 1,821,666</u></u>

Investment return, which is included in investment income on the statements of activities, for the years ended June 30, 2025 and 2024 is as follows:

	2025	2024
Endowment Fund Investments		
Interest and dividends	\$ 3,981	\$ 3,653
Realized and unrealized gain	41,852	32,504
Administrative fees	(2,932)	(2,189)
Board Designated Endowments		
Interest and dividends	31,033	29,818
Realized and unrealized gain	108,889	138,022
Administrative fees	(11,484)	(16,606)
	<u><u>\$ 171,339</u></u>	<u><u>\$ 185,202</u></u>

14)

Board designated net assets

As of June 30, 2025 and 2024, the Board of Le Petit Theatre du Vieux Carre had designated \$137,039 and \$97,039, respectively, of net assets without donor restrictions for a specified purpose. Additionally, as of June 30, 2025 and 2024, the Board has designated \$1,485,270 and \$1,493,370, respectively, of net assets without donor restrictions as a general endowment fund to support the mission of the Theatre. The Theatre has granted the Jewish Endowment Theatre of Louisiana (“JET”), the authority to administer and manage the endowment funds in accordance with the JET’s investment policy and guidelines. Since the amount resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

Investment Policy. The investment policy adopted by the JET shall combine both the preservation of principal and moderate risk-taking. While high levels of risk are to be avoided, the assumption of moderate level of risk is warranted and encouraged in order to achieve satisfactory results consistent with the objectives and fiduciary character of the JET over a full market cycle.

Spending Policy. The Theatre has a spending policy which will allow for distributions upon their request as an annual distribution of four percent (4%) of the principal in the fund as of June 30th of the previous fiscal year.

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

14) Board designated net assets (continued)

The composition of the board designated net assets at June 30, 2025 and 2024 was:

	<u>2025</u>	<u>2024</u>
Endowment net assets, beginning of year	\$ 1,493,370	\$ 1,505,163
Investment income	31,033	29,818
Realized and unrealized gain	<u>108,889</u>	<u>138,022</u>
Total income	1,633,292	1,673,003
Amounts withdrawn for expenditure	(136,538)	(163,027)
Administrative expenses	<u>(11,484)</u>	<u>(16,606)</u>
Endowment net assets, end of year	1,485,270	1,493,370
Boards designated for a specific purpose	137,039	97,039
Total Board designated net assets	<u>\$ 1,622,309</u>	<u>\$ 1,590,409</u>

15) Endowment

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2025 and 2024, there were no such donor stipulations. As a result of this interpretation, the Theatre retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for uncollectible accounts) donated to the Endowment and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

The following factors are considered in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

Investment Return Objectives, Risk Parameters and Strategies. The primary financial objective for the Theatre is to increase the real (inflation-adjusted) purchasing power of endowment assets and income after accounting for endowment spending, inflation, and costs of investment management. Endowment assets are invested in a well-diversified asset mix, which includes equity securities, fixed income securities and alternative investments that is intended to meet this objective. The Theatre has established a 5% real rate of return objective for the Theatre’s portfolio. Actual returns in any given year may vary from this amount. Investment assets and allocation between asset classes and strategies are managed to not expose the endowment assets to unacceptable levels of risk.

Spending Policy. The Theatre follows a Total Return Spending Policy for its endowment funds. Endowment funds are invested for maximum total return (within acceptable risk parameters), without

LE PETIT THEATRE DU VIEUX CARRE
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

15) Endowment (continued)

distinction between income and capital gains. The market value of the fund is measured over the past 12 quarters, and a percentage of the average of those values is made available for grants. This method appropriately puts the focus on the long-term growth of the fund. This, in turn, encourages the appropriate use of equities in the fund, helping the fund to grow at a rate greater than inflation. The annual percentage for 2025 and 2024 distributions was 4%.

The composition of endowments perpetual in nature by net asset class at June 30, 2025 and 2024 was:

	<u>2025</u>	<u>2024</u>
Endowment net assets, beginning of year	\$ 328,296	\$ 306,947
Investment income	3,981	3,653
Realized and unrealized gain	<u>41,852</u>	<u>32,504</u>
Total investment income	374,129	343,104
Grants	(12,679)	(12,619)
Administrative expenses	<u>(2,932)</u>	<u>(2,189)</u>
Endowment net assets, end of year	<u><u>\$ 358,518</u></u>	<u><u>\$ 328,296</u></u>

16) Receivable from Louisiana Department of Economic Development Tax Credit

The Theatre applied for and expects to receive tax credits from the Louisiana Department of Economic Development (“LED”) for qualifying production expenditures. These tax credits are granted to incentivize and support eligible projects that contribute to the growth and development of the local economy. As of June 30, 2025 and 2024, the Theater has recognized a receivable in the amount of \$381,197 and \$286,893, respectively, related to the anticipated tax credits. This receivable is presented on the statements of financial position as other receivable. The concentration of revenue from state tax credits with a single grantor represents approximately 11% and 9% of the Theatre’s total revenue for 2025 and 2024, respectively. The program under which this credit qualifies sunsets on July 1, 2025 unless extended by Louisiana state legislature.

17) Subsequent events

Management evaluated subsequent events through the date of the independent auditor’s report, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

LE PETIT THEATRE DU VIEUX CARRE
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
For the Year Ended June 30, 2025

SUMMARY OF COMPENSATION

Don-Scott Cooper, Executive Director

None of the agency head's compensation was derived from state and/or local assistance.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Directors
Le Petit Theatre du Vieux Carre
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Le Petit Theatre du Vieux Carre, 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, and have issued our report thereon November 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Le Petit Theatre du Vieux Carre's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Le Petit Theatre du Vieux Carre's internal control. Accordingly, we do not express an opinion on the effectiveness of Le Petit Theatre du Vieux Carre's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Le Petit Theatre du Vieux Carre's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Metairie, Louisiana
December 4, 2025

Wegmann Dazet, APC

LE PETIT THEATRE DU VIEUX CARRE
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended June 30, 2025

Part I – Summary of Auditor’s Results

Financial Statements

1. Type of auditor’s report:	
Unmodified	
2. Internal control over financial reporting:	
a. Material weakness identified?	No
b. Significant deficiencies identified?	None reported
3. Noncompliance material to the financial statements noted?	No

Federal Awards

Not applicable

Part II – Financial Statement findings

None Noted

Management Letter Comments

None Noted

LE PETIT THEATRE DU VIEUX CARRE
SCHEDULE OF PRIOR YEAR FINDINGS

For the Year Ended June 30, 2025

SECTION I INTERNAL CONTROL AND COMPLAINECE MATERIAL TO THE FINANCIAL STATEMENTS

None Noted

SECTION II INTERAL CONTROL AND COMPLAINECE MATERIAL TO THE FEDERAL AWARDS

Not applicable

SECTION III MANAGEMENT LETTER

None Issued