

**MARITIME MUSEUM LOUISIANA**

**Financial Statements  
with Supplemental Information**

**December 31, 2024**

**(With Independent Accountant's Compilation Report Thereon)**

# MARITIME MUSEUM LOUISIANA

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American Society of Certified Public Accountants  
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**To the Board of Directors  
Maritime Museum Louisiana  
Madisonville, Louisiana**

**Management is responsible for the accompanying financial statements of Maritime Museum Louisiana (the Museum), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.**

**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 representation of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.**

*Griffin & Furman, LLC*

**May 2, 2025**

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**MARITIME MUSEUM LOUISIANA**

**Statement of Financial Position**

**December 31, 2024**

**(See Independent Accountant's Compilation Report)**

**Assets**

**Cash:**

Unrestricted	\$	38,822
Restricted		<u>89,836</u>

**Total cash** 128,658

**Receivables:**

Accounts receivable	32,861
Grants receivable	<u>100,000</u>

**Total receivables** 132,861

**Prepaid expenses** 30,181

**Inventory** 15,752

**Property and equipment, net** 1,251,863

**Total assets** \$ 1,559,315

**Liabilities and Net Assets**

**Liabilities:**

Accounts payable	\$	39,866
Line of credit		91,414
Payroll tax payable		9,989
Sales tax payable		303
Deposits		900
Deferred revenue		100,000
Long-term debt		<u>225,000</u>

**Total liabilities** 467,472

**Net Assets:**

Without donor restriction	1,002,007
With donor restriction	<u>89,836</u>

**Total net assets** 1,091,843

**Total liabilities & net assets** \$ 1,559,315

See accompanying notes to the financial statements.

# MARITIME MUSEUM LOUISIANA

## Statement of Activities

For the Year Ended December 31, 2024

(See Independent Accountant's Compilation Report)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support &amp; Revenues:</b>			
Wooden boat festival	\$ 271,721	-	271,721
Facility event room rental	135,950	-	135,950
Wooden boat building classes	4,575	-	4,575
Gift shop sales	12,366	-	12,366
Museum admission fees and membership dues	28,369	-	28,369
Contributions	32,601	99	32,700
Fundraising income	65,839	-	65,839
Research and educational programs	26,500	-	26,500
Grant income	-	138,750	138,750
Other income	669	-	669
Net assets released from restrictions	<u>116,500</u>	<u>(116,500)</u>	<u>-</u>
<b>Total support and revenues</b>	<u>695,090</u>	<u>22,349</u>	<u>717,439</u>
<b>Expenses:</b>			
Program services	<u>516,939</u>	<u>-</u>	<u>516,939</u>
Support services:			
Management and general	178,205	-	178,205
Fundraising	<u>123,159</u>	<u>-</u>	<u>123,159</u>
<b>Total supporting services</b>	<u>301,364</u>	<u>-</u>	<u>301,364</u>
<b>Total expenses</b>	<u>818,303</u>	<u>-</u>	<u>818,303</u>
<b>Change in net assets</b>	<b>(123,213)</b>	<b>22,349</b>	<b>(100,864)</b>
<b>Net assets - beginning of year</b>	<u>1,125,220</u>	<u>67,487</u>	<u>1,192,707</u>
<b>Net assets - end of year</b>	<u>\$ 1,002,007</u>	<u>89,836</u>	<u>1,091,843</u>

See accompanying notes to the financial statements.

**MARITIME MUSEUM LOUISIANA**

**Statement of Cash Flows**

**For the Year Ended December 31, 2024**

**(See Independent Accountant's Compilation Report)**

**Cash flows from operating activities:**

<b>Change in net assets</b>	<b>\$</b>	<b>(100,864)</b>	
<b>Adjustments to reconcile decrease in net assets to net cash provided by operating activities:</b>			
<b>Depreciation</b>		<b>79,485</b>	
<b>Noncash contributions</b>		<b>(24,500)</b>	
<b>(Increases) decreases in assets:</b>			
<b>Accounts receivable</b>		<b>(16,952)</b>	
<b>Prepaid expenses</b>		<b>13,267</b>	
<b>Inventory</b>		<b>(1,056)</b>	
<b>Increases (decreases) in liabilities:</b>			
<b>Accounts payable</b>		<b>27,368</b>	
<b>Accrued expenses</b>		<b>71,520</b>	
<b>Payroll tax payable</b>		<b>2,289</b>	
<b>Sales tax payable</b>		<b>303</b>	
<b>Deposits</b>		<b>(3,321)</b>	
<b>Accrued interest</b>		<b>(5,996)</b>	
<b>Deferred revenue</b>		<b>100,000</b>	
<b>Net cash provided by operating activities</b>			<b><u>41,543</u></b>
<b>Net increase in cash</b>			<b>41,543</b>
<b>Cash, beginning of year</b>			<b><u>87,115</u></b>
<b>Cash, end of year</b>	<b>\$</b>		<b><u><u>128,658</u></u></b>

See accompanying notes to the financial statements.

# MARITIME MUSEUM LOUISIANA

## Statement of Functional Expenses

For the Year Ended December 31, 2024

	Program Services						Supporting Services		
	Wooden Boat Festival	Museum and Exhibits	Wooden Boat Buiddling Classes	Maritime Research and Education	Lighthouse Restoration	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ -	40,439	-	23,712	-	64,151	73,415	43,046	180,612
Payroll taxes and employee benefits	-	3,174	-	1,854	-	5,028	5,696	3,333	14,057
Total salaries & related benefits	-	43,613	-	25,566	-	69,179	79,111	46,379	194,669
Cost of good sold	4,867	-	-	-	-	4,867	-	-	4,867
Merchandise purchases	-	2,053	-	-	-	2,053	-	1,641	3,694
Member programing	-	-	-	1,043	-	1,043	-	-	1,043
Volunteer support	-	940	-	160	-	1,100	-	2,120	3,220
Printing and graphic design	-	-	-	-	638	638	-	413	1,051
Security	21,682	-	-	-	-	21,682	-	-	21,682
Materials and supplies	-	728	435	-	175	1,338	2,373	1,965	5,676
Contract labor	30,373	21,015	12,660	792	1,625	66,465	-	26,255	92,720
Equipment rental	-	-	-	-	-	-	21,850	-	21,850
Exhibit development	-	-	-	-	544	544	808	-	1,352
Festival	26,997	-	-	-	-	26,997	-	-	26,997
Repairs and maintenance	-	40,522	-	-	-	40,522	-	-	40,522
Office expense	-	26,796	-	808	-	27,604	-	-	27,604
Postage and delivery	-	1,554	-	-	-	1,554	-	-	1,554
Insurance	9,000	70,000	2,176	2,000	-	83,176	10,000	12,000	105,176
Professional fees	40,304	9,813	-	-	-	50,117	-	-	50,117
Advertising/promotional	-	4,878	-	-	-	4,878	29,932	-	34,810
Dues and subscriptions	-	2,290	-	-	-	2,290	-	-	2,290
Bank charges	4,128	90	-	1,000	-	5,218	3,500	7,557	16,275
Travel/transportation	-	125	-	-	-	125	2,949	-	3,074
Logistics	-	-	-	-	-	-	4,398	-	4,398
Utilities	2,311	16,641	3,236	9,246	1,850	33,284	1,387	11,557	46,228
Taxes and licenses	-	-	-	-	-	-	-	240	240
Miscellaneous expenses	-	125	-	-	-	125	-	1,001	1,126
Other expenses	-	-	-	-	-	-	6,000	-	6,000
Rent expense	-	1,464	-	1,553	-	3,017	-	4,082	7,099
Interest	-	13,484	-	-	-	13,484	-	-	13,484
Total expenses before depreciation	139,662	256,131	18,507	42,168	4,832	461,300	162,308	115,210	738,818
Depreciation	15,895	7,949	11,923	11,923	7,949	55,639	15,897	7,949	79,485
Total expenses	\$ 155,557	264,080	30,430	54,091	12,781	516,939	178,205	123,159	818,303

See accompanying notes to the financial statements.

# MARITIME MUSEUM LOUISIANA

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Compilation Report)

### (1) Summary of Significant Accounting Policies

#### (a) Nature of Activities

Maritime Museum Louisiana (the Museum), formerly known as the Lake Pontchartrain Basin Maritime Museum, Inc., was created as a not-for-profit corporation in July 1991 to operate an educational maritime museum which preserves the marine, naval, and maritime history, and cultural heritage of the Lake Pontchartrain Basin. The largest single source of income is from the annual Wooden Boat Festival held each fall on the Tchefuncte River.

The Museum is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

#### (b) Basis of Accounting

The financial statements of the Museum have been prepared on the accrual basis of accounting and accordingly revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

#### (c) Basis of Presentation

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

Net assets with donor restrictions - The part of net assets of a not-for-profit entity that is subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Net assets without donor restrictions - The part of net assets of a not-for-profit entity that is not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

#### (d) Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

#### (e) Cash and Cash Equivalents

The Museum considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.



# MARITIME MUSEUM LOUISIANA

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Compilation Report)

**(f) Accounts and Grants Receivable**

Accounts receivable consist of amounts due for fundraising income, tuition for boat building classes and facility event room rental services. Grants receivable consists of grant reimbursements. There were grants receivable as of December 31, 2024 in the amount of \$100,000. The Museum routinely reviews its accounts receivable balances and writes off doubtful accounts as necessary. Generally accepted accounting principles require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed. There were no bad debts during the year ended December 31, 2024

**(g) Inventory**

The Museum gift shop inventory consists of items purchased for resale and is carried at cost.

**(h) Property and Equipment**

All acquisitions of property and equipment in excess of \$1,000 whose useful lives extend beyond a one-year period and betterments which naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Property and equipment are stated at historical cost or estimated fair value at the date of donation.

Depreciation is provided on the straight-line basis over the following estimated useful lives of the assets:

Land and improvements	7-10 Years
Furniture and equipment	5-7 Years
Buildings and improvements	39 Years
Museum exhibits	5-10 Years
Bulkhead and dock	15 Years
Sign	5 Years

**(i) Collections of Art**

Many of the works of art on exhibit at the Museum are on loan from private parties and, thus, are not recorded in the financial statements of the Museum. Collections, which include works of art, historic treasures, and assets of similar nature, that are donated without restrictions to the Museum are recorded as in-kind revenue on the statements of activities and changes in net assets. Collections are not depreciated, rather they are reviewed each year for the impairment and value is decreased if deemed necessary. The Museum does not believe impairment is necessary as of December 31, 2024. Collections of the Museum are (a) held for exhibition to the public, for educational purposes or for research in furtherance of public services and not financial gain, and (b) are protected, cared for, and preserved.

# MARITIME MUSEUM LOUISIANA

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Compilation Report)

(j) **Public Support and Revenue**

Grants and other contributions of cash and other assets are reported as 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 statement of activities as net assets released from restrictions.

(k) **Functional Expense Allocation**

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

(l) **Advertising Expense**

The Museum uses advertising to promote its programs among the audiences it serves. During 2024, advertising costs, which are expensed as incurred, totaled \$34,810.

(m) **Income Tax Status**

The Museum is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Museum qualifies for the charitable contribution deduction under the Section 170(b)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Museum's evaluation as of December 31, 2024 revealed no tax positions that would have a material impact on the financial statements. The 2021 through 2023 tax years remain subject to examination by the IRS. The Museum does not believe that any reasonably possible changes will occur withing the next twelve months that will have a material impact on the financial statements.

(n) **Operations**

The Museum has entered into grant agreements and reimbursement contracts with various local, state, and federal governmental entities. Noncompliance with the terms of these agreements and contracts could have a significant adverse effect on the operations of the Museum.

(o) **Donated Assets and Services**

The Museum records noncash donations as contributions at their estimated fair value at the date of donation. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing these skills and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received.

# MARITIME MUSEUM LOUISIANA

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Compilation Report)

The Museum also receives donated services from unpaid volunteers who perform a variety of tasks that support the Museum's activities. However, no amounts have been reflected in the financial statements as these services do not meet the criteria for revenue recognition under generally accepted accounting principles.

### (2) Statement of Cash Flows and Supplementary Disclosure

Supplemental disclosures of cash flow information:

Cash paid for interest	\$ <u>19,208</u>
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### (3) Liquidity and Availability of Financial Assets

The Museum strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds and other short-term investments.

The following table reflects the Museum's financial assets as of December 31, 2024, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of donor restrictions.

Financial assets, and year end	\$ 261,519
Less those unavailable for general expenditure within one year due to donor restrictions:	
Cash	(89,836)
Grant receivable	<u>(100,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>71,683</u>

The Museum's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the statement of financial position sheet date.

### (4) Donated Materials, Facilities, and Services

The Museum receives donated items, services, and facilities from the public and sponsors who assist in fundraising and the Wooden Boat Festival. In accordance with FASB ASC 958-605-50-1, *Accounting for Contributions Received and Contributions Made*, these amounts have been recorded in the statements of activities as contributions and assets or expenses.

The Museum did receive donated items, facilities, and services for the year ended December 31, 2024 with an estimated value of \$28,764 which is included in contributions on the statement of activities.

# MARITIME MUSEUM LOUISIANA

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Compilation Report)

### (5) Property and Equipment

As of December 31, 2024, property and equipment consisted of the following:

Land and improvements	\$ 22,968
Furniture and equipment	203,559
Buildings and improvements	2,795,621
Museum exhibits	571,850
Bulkhead and dock	96,816
Sign	<u>11,776</u>
	3,702,590
Less: Accumulated depreciation	<u>(2,450,727)</u>
Property and equipment, net	\$ <u>1,251,863</u>

Depreciation expense for the year ended December 31, 2024 was \$79,485.

### (6) Deferred Revenue

In July of 2024 the Louisiana Legislature signed into effect Act No. 776, which sends appropriations to state agencies based on their agency type. The Museum was eligible for a \$200,000 state appropriation. Per state law, the Museum will recognize the full amount of the appropriation at the date the act was signed into effect as deferred revenue and will recognize revenue as barriers are met until the end of the appropriation on June 30, 2025. The Museum received \$100,000 of appropriations in 2024.

### (7) Long-Term Debt

#### *Economic Injury Disaster Loan*

On June 19, 2021, the Museum received loan proceeds in the amount of \$150,000 under the Small Business Administration's Economic Injury Disaster Loan program. On April 12, 2022, this loan was modified to increase the note amount from \$150,000 to \$225,000. This program provided low interest fixed rate loans to help businesses overcome the effects of the COVID-19 global pandemic by providing working capital to meet operating expenses of the borrowers. The loan bears interest at 2.75% and is due in monthly installments of \$994 beginning December 2022 through June 2050 and is secured by property of the Museum. Through December 31, 2024, all payments have been applied to interest that accrued from the loan date due to payment deferrals that delayed repayments of the loan. Once all accrued interest has been paid, loan payments will then be applied to loan interest and principal. As of December 31, 2024, accrued interest amounted to \$272 and is included in accounts payable in the statement of financial condition.

# MARITIME MUSEUM LOUISIANA

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Compilation Report)

A summary of future maturities of this loan for next five years and thereafter are as follows:

<u>Years Ending</u>	<u>Amount</u>
2025	\$ 5,534
2026	5,968
2027	6,134
2028	6,289
2029	6,480
Thereafter	<u>194,595</u>
	<u>\$ 225,000</u>

### (8) Line of Credit

The Museum maintains a line of credit with Heritage Bank of St. Tammany. This unsecured line of credit allows the Museum to borrow up to \$100,000 with an interest rate of 7.5% per annum. The line of credit matures on December 20, 2027. As of December 31, 2024, the Organization had draws on this line of credit of \$91,414 leaving an unused amount of \$8,586.

### (9) Commitments and Contingencies

#### *Management Agreement for Museum Building*

The land on which the Museum is built is owned by the Town of Madisonville (the Town). On May 31, 1996, the Town and the Museum entered into a management agreement allowing the Museum to establish, occupy, administer, manage, supervise, maintain, and exercise operational control and custody over the museum building once construction was complete. The term of this agreement is for 99 years and expires on May 31, 2095. The Museum assumes the obligations of the day-to-day operations and upkeep of the buildings in lieu of other considerations to the Town (i.e. rent expense). In addition, the agreement states that the building contents and all furniture, fixtures, equipment, supplies, vessels, exhibits, artifacts, objects of art, paintings and all other movable things acquired by or donated to the Museum are the property of the Museum.

#### *Management Agreement of the Tchefuncte River Range Rear Light Property*

The Tchefuncte River Range Rear Light Property (the Property) is owned by the Town. On May 24, 2000, the Town and the Museum entered into a management agreement allowing the Museum to restore, develop, preserve, manage, and administer the Property, including its use as a tourist attraction. The term of this agreement is for 99 years and expires on May 24, 2099. The Museum assumes the obligation to maintain and exercise operation control and custody over the Property before and after the restoration of the lighthouse in lieu of other considerations to the Town. In addition, the agreement states that the Museum shall retain title to and possession of all contents, fixtures, equipment, supplies, vessels, boats, exhibits, artifacts, objects of art, paintings, and all other movable things acquired by or donated to the Museum for the use and benefit of the property during the period of the agreement.



# MARITIME MUSEUM LOUISIANA

## Notes to the Financial Statements

December 31, 2024

(See Independent Accountant's Compilation Report)

### (10) Concentration of Credit Risk

The Museum maintains its cash balances at several financial institutions located in Southeast Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. There were no uninsured portions of cash balances as of December 31, 2024.

None of the Museum's sources of revenue presented itself as a concentration risk for the year ended December 31, 2024.

### (11) Grants from Governmental Agencies

Grants from governmental agencies include the following for the year ended December 31, 2024:

Funds in the amount of \$15,000 were awarded under a grant agreement with the State of Louisiana Department of Culture, Recreation, and Tourism for the year ended December 31, 2024. The grant funds are to be used for marketing the Wooden Boat Festival.

Funds in the amount of \$100,000 were received under ACT 776 (see Note 6). The grant funds are to be used for operations, salaries, utilities, insurance, and maintenance costs.

### (12) Accrued Unpaid Leave

The Museum's full-time employees accrue annual leave as follows:

Year 0-0.5	5 days/year
Year 1-5	15 days/year
Year 6+	20 days/year

Annual leave is not cumulative and normally must be taken in the year earned. Exceptions for carrying over annual leave are limited to five days and require the approval of the Executive Director. Days accumulated beyond five days without prior approval will not be paid or carried over. Sick leave is earned by regular full-time employees at the rate of five days per year. In the event of resignation or termination, there is no payment for unused sick leave.

The Museum has no accrued unpaid leave as of December 31, 2024.

### (13) Related Party Transactions

During the year ended December 31, 2024, there were no related party transactions.

### (14) Evaluation of Subsequent Events

The Museum has evaluated subsequent events through May 2, 2025, the date which the financial statements were available to be issued.

**MARITIME MUSEUM LOUISIANA**

**Schedule of Compensation, Benefits, and Other  
Payments to Agency Head**

**For the Year Ended December 31, 2024**

**(See Independent Accountant's Compilation Report)**

**Agency Head Name: James MacPherson, Executive Director**

<b><u>Purpose</u></b>	<b><u>Amount</u></b>
<b>Salary</b>	<b>\$ <u>46,210</u></b>

**MARITIME MUSEUM LOUISIANA**

**Schedule of Findings**

**For the Year Ended December 31, 2024**

**Not applicable.**



**MARITIME MUSEUM LOUISIANA**

**Status of Prior Year Findings**

**For the Year Ended December 31, 2024**

**Not applicable.**