

NEW ORLEANS MUSEUM OF ART

Financial Statements and Schedules

December 31, 2012 and 2011

With Independent Auditors' Report Thereon



A Professional Accounting Corporation

www.pncpa.com

NEW ORLEANS MUSEUM OF ART
Years Ended December 31, 2012 and 2011

Table of Contents

	Page
Independent Auditors' Report	1-2
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Cash Flows	6
Notes to Financial Statements	7-21
Schedules	
1 Combining Schedule of Financial Position	22-38
2 Combining Schedule of Activities, Unrestricted Net Assets	39-40
3 Combining Schedule of Activities, Temporarily Restricted Net Assets	41-50
4 Combining Schedule of Activities, Permanently Restricted Net Assets	51-56

Independent Auditors' Report

The Board of Trustees
New Orleans Museum of Art:

Report on the Financial Statements

We have audited the accompanying financial statements of the New Orleans Museum of Art (a nonprofit organization) (the Museum), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Orleans Museum of Art as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 on pages 22 through 56 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 our report dated June 28, 2013 on our consideration of the Museum's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Postathwaite & Kuhlman

Metairie, Louisiana
June 28, 2013

NEW ORLEANS MUSEUM OF ART

Statements of Financial Position

December 31, 2012 and 2011

	Assets	
	<u>2012</u>	<u>2011</u>
Current assets:		
Cash	\$ 1,425,486	\$ 540,813
Investments, short-term (note 2)	896,313	3,103,137
Receivables:		
Promises to give (note 4)	385,000	525,000
Grants	265,981	43,370
Inventories	149,022	109,599
Prepaid assets	31,922	8,898
Total current assets	<u>3,153,724</u>	<u>4,330,817</u>
Collections (note 5)	-	-
Promises to give, long-term (note 4)	340,000	275,000
Investments, long-term and real property (note 2)	38,023,429	33,340,850
Building, improvements and equipment, net (note 3)	<u>12,046,390</u>	<u>12,302,858</u>
Total assets	<u>\$ 53,563,543</u>	<u>\$ 50,249,525</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable, accruals and other liabilities	\$ 238,992	\$ 613,636
Salaries, taxes, withholdings, and pension payable	269,139	272,186
Accumulated unused sick and annual leave	119,745	237,800
Total current liabilities	<u>627,876</u>	<u>1,123,622</u>
Total liabilities	<u>627,876</u>	<u>1,123,622</u>
Net assets:		
Unrestricted:		
Unrestricted, operating	130,124	-
Board designated, investment in building	12,046,390	12,302,858
Board designated, functioning as operating endowments	9,207,325	7,776,207
Total unrestricted net assets	<u>21,383,839</u>	<u>20,079,065</u>
Temporarily restricted	7,425,155	5,761,556
Permanently restricted	24,126,673	23,285,282
Total net assets (note 7)	<u>52,935,667</u>	<u>49,125,903</u>
Total liabilities and net assets	<u>\$ 53,563,543</u>	<u>\$ 50,249,525</u>

See accompanying notes to financial statements.

NEW ORLEANS MUSEUM OF ART

Statements of Activities

Years Ended December 31, 2012 and 2011

	2012				2011			
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Support and revenue:								
Support:								
Individual contributions	\$ 93,576	310,839	201,000	605,415	\$ 120,677	283,038	50	403,765
City, State, and Federal grants	755,939	20,000	-	775,939	252,275	32,000	-	284,275
Sponsorships	18,667	274,725	-	293,392	35,747	15,700	-	51,447
Corporate support	115,295	178,000	40,391	333,686	18,408	145,250	2,000	165,658
Donation Boxes	13,116	-	-	13,116	9,826	-	-	9,826
Affiliate memberships	791,190	-	-	791,190	836,385	-	-	836,385
Odyssey Ball (net of direct costs of \$139,741 and \$81,150, respectively)	348,385	-	-	348,385	394,095	-	-	394,095
Special benefits (net of direct costs of \$207,174 and \$244,860, respectively)	272,581	-	-	272,581	260,755	-	-	260,755
Legacies and bequests	30,304	-	50,000	80,304	7,079	970,183	47,577	1,024,839
Foundations	367,373	176,730	550,000	1,094,103	160,990	665,038	700,000	1,526,028
Total support	2,806,426	960,294	841,391	4,608,111	2,096,237	2,111,209	749,627	4,957,073
Revenue:								
General membership dues	380,873	-	-	380,873	353,485	-	-	353,485
Business and university memberships	66,800	-	-	66,800	41,900	-	-	41,900
Admission charges	366,752	-	-	366,752	397,602	-	-	397,602
Arts Quarterly and other publications, net	2,972	-	-	2,972	(7,329)	-	-	(7,329)
Education programs	28,214	-	-	28,214	6,610	-	-	6,610
Exhibition programs	93,498	-	-	93,498	192,464	-	-	192,464
Special evenings	349,565	-	-	349,565	241,875	-	-	241,875
Members' events	38,207	-	-	38,207	27,224	-	-	27,224
Interest and dividends	220,612	181,623	-	402,235	172,588	129,085	-	301,673
Net appreciation (depreciation) in investments	2,463,368	1,955,657	-	4,419,025	(526,118)	(310,344)	-	(836,462)
Miscellaneous	946	-	-	946	9,254	519	-	9,773
Royalties	773	22,328	-	23,101	2,474	6,000	-	8,474
Deaccessions	-	600	-	600	-	3,500	-	3,500
Museum shop	314,716	-	-	314,716	302,000	-	-	302,000
Total revenue	4,329,296	2,160,208	-	6,489,504	1,214,029	(171,240)	-	1,042,789
Total support and revenue before net assets released from restrictions/transfers	7,135,722	3,120,502	841,391	11,097,615	3,310,266	1,939,969	749,627	5,999,862
Net assets released from restrictions/transfers (note 6):								
Net assets released from restrictions	678,684	(678,684)	-	-	1,743,084	(1,743,084)	-	-
Transfers	778,219	(778,219)	-	-	1,103,019	(2,073,584)	970,565	-
Total net assets released/transfers	1,456,903	(1,456,903)	-	-	2,846,103	(3,816,668)	970,565	-
Total support and revenue	8,592,625	1,663,599	841,391	11,097,615	6,156,369	(1,876,699)	1,720,192	5,999,862

(Continued)

NEW ORLEANS MUSEUM OF ART

Statements of Activities

Years Ended December 31, 2012 and 2011

	2012			2011				
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Expenses:								
Administrative/Computer operations	\$ 1,373,769	-	-	1,373,769	\$ 1,552,444	-	-	1,552,444
Building/Security	2,041,676	-	-	2,041,676	2,194,025	-	-	2,194,025
Museum shop	297,390	-	-	297,390	326,628	-	-	326,628
Art division:								
Collections	1,112,093	-	-	1,112,093	1,179,036	-	-	1,179,036
Art accessions not capitalized (note 5)	247,030	-	-	247,030	1,201,235	-	-	1,201,235
Exhibition programs	665,346	-	-	665,346	541,196	-	-	541,196
Arts Quarterly	79,075	-	-	79,075	91,883	-	-	91,883
Education programs	302,435	-	-	302,435	183,174	-	-	183,174
Public relations and fund raising	645,316	-	-	645,316	851,541	-	-	851,541
Member activities and other restricted expenses	523,721	-	-	523,721	592,065	-	-	592,065
Total expenses	7,287,851	-	-	7,287,851	8,713,227	-	-	8,713,227
Change in net assets	1,304,774	1,663,599	841,391	3,809,764	(2,556,858)	(1,876,699)	1,720,192	(2,713,365)
Net assets at beginning of year	20,079,065	5,761,556	23,285,282	49,125,903	22,635,923	7,638,255	21,565,090	51,839,268
Net assets at end of year	\$ 21,383,839	7,425,155	24,126,673	52,935,667	\$ 20,079,065	5,761,556	23,285,282	49,125,903

See accompanying notes to financial statements.

NEW ORLEANS MUSEUM OF ART

Statements of Cash Flows

Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Cash received from government entities	\$ 573,328	\$ 316,275
Cash received from contributors	3,045,781	3,591,171
Cash received from sales of art	600	3,500
Cash received from memberships and member activities	1,350,928	1,272,078
Cash received from auxiliary operations	314,716	302,000
Interest and dividends received	402,235	301,673
Cash paid to employees and suppliers	(7,038,587)	(6,978,181)
Cash paid for art acquisitions	(247,030)	(1,201,235)
	<u>(1,598,029)</u>	<u>(2,392,719)</u>
Net cash used in operating activities		
Cash flows from investing activities:		
Purchases of investments	(1,379,510)	(2,912,580)
Proceeds from maturities/sales of investments	3,324,780	4,755,478
Purchases of building and equipment	(303,959)	(15,731)
	<u>1,641,311</u>	<u>1,827,167</u>
Net cash provided by investing activities		
Cash flows from financing activities:		
Proceeds from contributions, permanently restricted	841,391	749,627
	<u>841,391</u>	<u>749,627</u>
Net cash provided by financing activities		
Net increase in cash and cash equivalents	884,673	184,075
Cash and cash equivalents at beginning of year	<u>540,813</u>	<u>356,738</u>
Cash and cash equivalents at end of year	\$ <u><u>1,425,486</u></u>	\$ <u><u>540,813</u></u>
Reconciliation of changes in net assets to net cash from operating activities:		
Changes in net assets	\$ 3,809,764	\$ (2,713,365)
Adjustments for long-term income and non-cash expenses:		
Permanently restricted contributions	(841,391)	(749,627)
Depreciation (appreciation) of investments	(4,421,025)	836,462
Depreciation of building improvements and equipment	560,427	546,674
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Increase in current assets and long-term promises to give	(210,058)	(252,112)
Decrease in current liabilities	(495,746)	(60,751)
	<u>(1,598,029)</u>	<u>(2,392,719)</u>
Net cash used in operating activities		

See accompanying notes to financial statements.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(1) **Summary of Significant Accounting Policies**

(a) ***History and Organization***

The New Orleans Museum of Art (the Museum) opened in 1911 and is an invaluable cultural, educational and recreational resource serving the City of New Orleans, the State of Louisiana and the entire Gulf South with programs and exhibitions designed to cultivate, promote and inspire the knowledge, love and appreciation of the fine arts. The Museum is organized as a private, nonprofit corporation, chartered in the State of Louisiana and granted 501(c)(3) status by the Internal Revenue Service. It is governed by a 42-member Board of Trustees, serving staggered three-year terms. The Museum is affiliated with the City of New Orleans as an unattached board.

(b) ***Financial Statement Presentation***

The financial statements of the Museum are presented on the accrual basis of accounting. Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Museum and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Museum and/or the passage of time.
- Permanently restricted net assets - Net assets subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled and removed by actions of the Museum pursuant to those stipulations.

(c) ***Promises to Give***

Contributions are recognized when the donor makes a promise to give to the Museum that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Museum provides for an allowance for uncollectible unconditional promises receivable when necessary.

(d) ***Building Improvements and Equipment***

Building improvements and equipment are recorded at cost if purchased or fair value if donated. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Maintenance and repairs are expensed as incurred and major improvements are capitalized. When items of equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the statement of income.

Impairment of long-lived assets is tested whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined primarily using appraisals.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(1) **Summary of Significant Accounting Policies (continued)**

(d) ***Building Improvements and Equipment (continued)***

Losses on long-lived assets to be disposed of are determined in a similar manner, except that fair market values are reduced for the cost to dispose. There were no impairments of long-lived assets recorded by management during the years ended December 31, 2012 and 2011.

(e) ***Vacation and Sick Pay***

The Museum's vacation pay (annual leave) and sick pay (sick leave) are accrued when earned. The Museum's policy permits employees a limited amount of earned but unused vacation which will be paid to employees upon separation from the Museum. The amount of annual leave shall not exceed ninety (90) days for employees hired before January 1, 1979, and forty-five (45) days for employees hired after December 31, 1978.

Sick leave is accumulated by all employees hired prior to December 31, 1978 at an accrual rate of .923 of a work day for each bi-weekly pay period. For employees appointed subsequent to December 31, 1978, the accrual is .5 of a work day for each bi-weekly period plus a two (2) day bonus for each employee with six (6) through fifteen (15) calendar years of continuous service, and seven (7) bonus days for employees with sixteen (16) or more calendar years of continuous service.

Upon separation from the Museum, an employee may elect to convert unused sick leave for retirement credits or cash. The conversion to cash is determined by a rate ranging from one (1) day of pay for five (5) days of leave for the 1st through 100th leave day to one (1) day of pay for one (1) day of leave for all days in excess of the 400th leave day.

(f) ***Investments***

Investments, consisting of common stocks, non-traditional investments, corporate bonds, and U.S. government and agency issues, are recorded at fair value. Unrealized gains and losses on investments in equity securities with readily determinable fair values and all investments in debt securities are recorded in the statement of activities as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or law. Dividend, interest, and other investment income is recorded as increases in unrestricted net assets unless the use is restricted by the donor. Donated investments are recorded at fair market value at the date of receipt. Investments consisting of real property contributed to the Museum are recorded at fair value at the date of the donation.

Realized gains and losses, and declines in value judged to be other than temporary, are included in net appreciation (depreciation) of investments. Realized gains and losses on the sales of securities are determined using the specific-identification method. A decline in the fair value of investments below cost that is deemed to be other than temporary results in a charge to change in net assets and the establishment of a new cost basis for the investment.

(g) ***Inventory***

The Museum's shop inventory is valued at the lower of cost or market. Cost is determined by the first-in, first-out method.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(1) **Summary of Significant Accounting Policies (continued)**

(h) Income Taxes

The Museum is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 121(5) of Title 47 of the Louisiana Revised Statutes of 1950.

The Museum applies a “more-likely-than-not” recognition threshold for all tax uncertainties. This approach only allows the recognition of those tax benefits that have a greater than 50% likelihood of being sustained upon examination by the taxing authorities. As a result of implementing this approach, the Museum has reviewed its tax positions and determined there were no outstanding or retroactive tax positions with less than a 50% likelihood of being sustained upon examination by the taxing authorities.

Therefore, the implementation of this standard has not had a material effect on the Museum. The Museum’s tax returns for the years ended December 31, 2011, 2010, and 2009 remain open and subject to examination by taxing authorities. The Museum’s tax return for the year ended December 31, 2012 has not yet been filed.

(i) Restricted Net Assets

The Museum reports gifts of cash and other assets as restricted support 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, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities as net assets released from restrictions.

Gifts of long-lived operating assets such as land, buildings or equipment are reported as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

(j) Use of Estimates

Management of the Museum has made estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the useful lives of fixed assets, the valuation of fixed assets and investments. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

(k) Cash and Cash Equivalents

For the purposes of the statements of cash flows, cash and cash equivalents include bank deposits and money market accounts.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(2) **Investments**

The market value of investments is as follows at December 31:

	<u>2012</u>	<u>2011</u>
Cash equivalents	\$ 896,313	\$ 3,103,137
Mutual funds	37,136,870	32,451,633
Corporate stocks	173,212	147,587
Real property	436,260	436,260
Limited partnership hedge funds	55,113	97,966
Other	221,974	207,404
	<u>\$ 38,919,742</u>	<u>\$ 36,443,987</u>

Reconciliation to the statements of financial position is as follows:

	<u>2012</u>	<u>2011</u>
Short-term investments	\$ 896,313	\$ 3,103,137
Long-term investments	38,023,429	33,340,850
	<u>\$ 38,919,742</u>	<u>\$ 36,443,987</u>

Investments are held for the following purposes:

	<u>2012</u>	<u>2011</u>
Unrestricted:		
Operating	\$ 75,770	\$ 313,927
Board designated, functioning as operating endowments	8,572,564	7,820,711
	<u>8,648,334</u>	<u>8,134,638</u>
Temporarily restricted:		
Capital	-	93,375
Operating:		
Library	19,040	40,440
Curatorship, functioning as endowments	689,996	401,193
Directorship, functioning as endowments	274,092	174,242
Education program	15,347	601
Exhibition program	-	12,617
Gallery maintenance	230,356	186,244
General operating program	382,341	493,122
	<u>1,611,172</u>	<u>1,308,459</u>
Art accessions	5,233,563	4,265,516
	<u>6,844,735</u>	<u>5,667,350</u>

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(2) Investments (continued)

	<u>2012</u>	<u>2011</u>
Permanently restricted:		
Curatorship	\$ 3,000,000	\$ 3,000,000
Directorship	1,000,000	1,000,000
Education program	391,695	140,248
Gallery maintenance	118,782	118,782
General operating program	13,823,209	13,290,982
Scholar program	357,143	357,143
	<u>18,690,829</u>	<u>17,907,155</u>
Art accessions	4,735,844	4,734,844
	<u>23,426,673</u>	<u>22,641,999</u>
	<u>\$ 38,919,742</u>	<u>\$ 36,443,987</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31:

	<u>2012</u>	<u>2011</u>
Dividends and interest	\$ 402,235	\$ 301,673
Net realized and unrealized:		
Realized	120,441	(15,964)
Unrealized	4,300,584	(820,498)
	<u>4,421,025</u>	<u>(836,462)</u>
Total return on investments	<u>\$ 4,823,260</u>	<u>\$ (534,789)</u>

Dividends, interest, and unrealized and realized gains (losses) on permanently restricted investments are reflected in the related unrestricted or temporarily restricted net assets. If the permanent and the temporarily restricted funds do not have sufficient net assets to fund investment losses, appropriate transfers from the unrestricted net assets are made to the funds.

(3) Building, Improvements and Equipment

Building, improvements and equipment consist of the following at December 31:

	<u>2012</u>			
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>	<u>Estimated useful lives</u>
Building and improvements	\$ 17,125,416	(8,320,877)	\$ 8,804,539	39-40 years
Equipment	966,752	(576,104)	390,648	5-7 years
Vehicles	18,229	(18,229)	-	5 years
Land improvements	450,076	(123,771)	326,305	40 years
Sculpture Garden	3,257,932	(733,034)	2,524,898	40 years
	<u>\$ 21,818,405</u>	<u>(9,772,015)</u>	<u>\$ 12,046,390</u>	

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(3) **Building, Improvements and Equipment (continued)**

	2011			Estimated useful lives
	Cost	Accumulated Depreciation	Net	
Building and improvements	\$ 17,125,416	(7,892,394)	\$ 9,233,022	39-40 years
Equipment	662,793	(536,860)	125,933	5-7 years
Vehicles	18,229	(18,229)	-	5 years
Land improvements	450,076	(112,519)	337,557	40 years
Sculpture Garden	3,257,932	(651,586)	2,606,346	40 years
	<u>\$ 21,514,446</u>	<u>(9,211,588)</u>	<u>\$ 12,302,858</u>	

Depreciation expense in 2012 and 2011 was \$560,427 and \$546,674, respectively.

(4) **Promises to Give**

Promises to give are dedicated by the donors for the Museum's Endowments, Sculpture Garden, or other operating purposes and represent a promise by the donors to pay after the balance sheet date.

Scheduled payments were \$725,000 at December 31, 2012 and are collectible in installments of \$385,000 in fiscal year 2013, \$100,000 in each fiscal year from 2013 through 2016, and \$40,000 in fiscal year 2017. Scheduled payments were \$800,000 at December 31, 2011 with payments received during fiscal year 2012 of \$325,000 and new promises to give of \$250,000 pledged.

(5) **Art Collection**

In conformity with the practice followed by many museums, art purchased and donated is not capitalized. During 2012 and 2011, the cost of collection items purchased by the Museum as a decrease in the appropriate class of net assets was \$247,030 and \$1,201,235, respectively. When not on display in the permanent collection galleries, the objects are maintained in climate controlled storage. The Museum maintains policies and procedures addressing the maintenance and conservation of the collection, as well as other aspects of its management, including accession/deaccession policies.

The Museum has the largest and most complete repository of fine art in the State of Louisiana and is recognized nationally as one of the leading art institutions serving the public. In particular, the Museum has a national reputation of a 3,500 year history of glass; an in-depth 150 year history of photographs; Japanese screens and scroll paintings of the Edo Period; a 500 year survey of Chinese earthenware, porcelain, and stone sculptures; 17th through 20th century French paintings; Italian and Spanish paintings from the Renaissance and Baroque periods; 16th through 18th century paintings from the "Low Countries" of Northern Europe; tribal arts of sub-Saharan Africa; 18th and 19th century French hard-paste, bone and Parian porcelain; 20th century American art pottery; Spanish colonial Latin American paintings and sculpture; English and continental portrait miniatures; jeweled objects de vertu by Peter Carl Faberge; 18th to 20th century American paintings and sculptures; 18th and 19th century American and English silver; and the arts of pre-Columbian Mexico, Central and South America, and native North American Indians.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(5) **Art Collection (continued)**

The Museum employs a professional curatorial staff whose function is to care for its collections; carry out research on the objects in the collection; organize special exhibitions on particular subjects or themes; write scholarly interpretative articles, catalogues and books on art subjects; recommend and oversee needed restoration and conservation treatment on objects in the collection; cultivate and advise private art collectors and encourage donations; seek out and recommend objects for acquisition or deaccession by the Museum; train volunteer docents to give guided tours of the Museum; devise and implement educational programs such as lectures, symposiums, films, concerts, family festivals on specific themes, studio art classes, and other outreach methods; family and teacher workshops, and art therapy programs for designated public schools.

(6) **Net Assets Released**

Temporarily restricted net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during December 31 and transfers are as follows:

	<u>2012</u>	<u>2011</u>
Purpose accomplished:		
Administrative and other activities	\$ 778,219	\$ 2,073,584
Art accessions	247,030	1,201,234
Restricted activities and programs	<u>431,654</u>	<u>541,850</u>
	<u>\$ 1,456,903</u>	<u>\$ 3,816,668</u>

(7) **Net Assets Composition**

Board-designated, functioning as endowments, unrestricted net assets are designated to support operations and totaled \$9,207,325 and \$7,776,207 as of December 31, 2012 and 2011, respectively.

Temporarily restricted net assets are donor-restricted for the following purposes:

	<u>2012</u>	<u>2011</u>
Capital	\$ 127,901	\$ 143,750
Art accessions	5,254,441	4,100,272
Directorship	274,092	174,242
Curatorship	689,996	401,193
Operation, including scholar and general	566,060	679,136
Gallery maintenance and exhibits	476,278	216,342
Library	21,040	46,020
Education	<u>15,347</u>	<u>601</u>
	<u>\$ 7,425,155</u>	<u>\$ 5,761,556</u>

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(7) **Net Assets Composition (continued)**

Permanently restricted net assets, investments in perpetuity, the income from which can be used in accordance with donor restrictions, are as follows:

	<u>2012</u>	<u>2011</u>
Operations	\$ 14,273,209	\$ 13,432,818
Art accessions	4,735,844	4,734,844
Curatorship	3,000,000	3,000,000
Directorship	1,000,000	1,000,000
Scholar program	357,143	857,143
Gallery maintenance	118,782	118,782
Education	641,695	141,695
	<u>\$ 24,126,673</u>	<u>\$ 23,285,282</u>

(8) **Pension Plan**

Civil service employees of the Museum are eligible for membership in the City of New Orleans Employees' Retirement System. The report on the City of New Orleans Employee's Retirement System can be obtained from the City of New Orleans, Perdido Street, New Orleans, Louisiana. The actuarially computed value of vested benefits of the Museum's employees in the City's pension plan is not available. However, pension payments for these employees are the responsibility of the Museum and amounted to \$37,221 and \$76,377 for the years ended December 31, 2012 and 2011, respectively.

In 2000, the Museum established a defined benefit retirement plan (the Plan) for any employee who is eligible for participation upon his anniversary date nearest completion of one year of service and attainment of age 21. On April 23, 2001, the Museum received a favorable determination letter on their plan from the Internal Revenue Service.

The Museum authorized to terminate the pension plan effective December 31, 2008. No future benefits were accrued, and no additional years of service were counted under the Plan after that date. Employees became 100% vested as of December 31, 2008. In October 2011, the actuarial value of plan assets were \$432,659. The Museum funded an additional \$405,587 to cover the benefit obligation. Termination benefits totaling \$838,246 were either paid to beneficiaries or rolled over into the 401(k) plan for those individuals.

The Museum sponsors a defined contribution 401(k) Profit Sharing Plan for the benefit of its employees. Employees, who are at least age 21, may contribute to the plan after 6 months of service and at least 500 hours. In order to receive matching and employer contributions, employees, who are at least age 21, must work 12 months and 1000 hours. Employees covered under the CNO Service Retirement Plan are not eligible. The Museum makes a 5% contribution to eligible employees and a matching contribution up to 3% of eligible participating employees' wages annually, amounting to \$85,149 and \$67,828 in profit sharing contributions and \$34,873 and \$33,786 in employer match contributions for the years ended December 31, 2012 and 2011, respectively.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(9) Expenses

Expenses by natural classification and function have been incurred for the following for the years ended December 31:

	<u>2012</u>	<u>2011</u>
Salaries, wages and benefits	\$ 3,747,754	\$ 3,832,946
Office and occupancy	2,352,928	2,605,309
Supplies and materials	221,745	342,736
Cost of goods sold	157,967	184,327
Depreciation	560,427	546,674
Art accessions	<u>247,030</u>	<u>1,201,235</u>
	<u>\$ 7,287,851</u>	<u>\$ 8,713,227</u>

(10) Commitments and Contingencies

The Museum is party to an audit regarding the payout of the pension plan. In the opinion of management, the effects of this contingency, if any, will not have a material adverse effect.

The Museum participated in a number of state and federally-assisted grant programs in fiscal year 2012. The programs are subject to compliance audits. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. The Museum believes that the amount of disallowances, if any, which may arise from future audits, will not be material to the financial statements.

The Museum has also entered into an employment agreement with a member of executive management. Per the terms of said employment agreement, the Museum may incur compensation liabilities if the employee is terminated without good cause during the term of the agreement.

(11) Fair Value Measurements

Fair value measurement standards established 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 the standard are described below:

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(11) Fair Value Measurements (continued)

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Museum 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 asset's 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 need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

U.S. government securities, corporate bonds, mutual funds, corporate stocks: Valued at fair value by using quoted prices for identical securities.

Limited partnership and mutual fund type hedge funds: Valued at fair value by using discounted cash flow techniques.

Real property: Valued at historical cost, which approximates fair value by valuation techniques regarding original purchase price.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Museum 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.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(11) Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Museum's assets at fair value as of December 31, 2012.

	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ 896,313	\$ -	\$ -	\$ 896,313
Mutual funds				
Segregated portfolio	-	-	136,004	136,004
Pooled equity fund	25,554,836	-	-	25,554,836
Total return fund	7,228,988	-	-	7,228,988
Absolute return pool fund	-	-	2,654,788	2,654,788
Hedged equity fund	-	-	1,562,254	1,562,254
Corporate stocks				
Other	173,212	-	-	173,212
Limited partnership hedge funds	-	-	55,113	55,113
Real property	-	-	436,260	436,260
Other	-	221,974	-	221,974
Total assets at fair value	<u>\$ 33,853,349</u>	<u>\$ 221,974</u>	<u>\$ 4,844,419</u>	<u>\$ 38,919,742</u>

The following table sets forth by level, within the fair value hierarchy, the Museum's assets at fair value as of December 31, 2011.

	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ 3,103,137	\$ -	\$ -	\$ 3,103,137
Mutual funds				
Segregated portfolio	-	-	208,270	208,270
Pooled equity fund	21,859,769	-	-	21,859,769
Total return fund	6,550,471	-	-	6,550,471
Absolute return pool fund	-	-	2,391,278	2,391,278
Hedged equity fund	-	-	1,441,845	1,441,845
Corporate stocks				
Other	147,587	-	-	147,587
Limited partnership hedge funds	-	-	97,966	97,966
Real property	-	-	436,260	436,260
Other	-	207,404	-	207,404
Total assets at fair value	<u>\$ 31,660,964</u>	<u>\$ 207,404</u>	<u>\$ 4,575,619</u>	<u>\$ 36,443,987</u>

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(11) Fair Value Measurements (continued)

As required by the standard, the following table presents a reconciliation of the beginning and ending balances of the fair value measurements using significant unobservable inputs (Level 3). Unrealized gains and/or losses are shown in the Statements of Activities as “net appreciation (depreciation) in investments”.

	Segregated Portfolio	Absolute Return Pool Fund	Hedged Equity Fund
Balance, January 1, 2011	\$ 376,360	\$ 2,500,000	\$ 1,477,931
Unrealized gains/losses relating to instruments still held at the reporting date, (net)	4,622	(97,487)	(36,086)
Purchase, sales, issuances and settlements, (net)	<u>(172,712)</u>	<u>(11,235)</u>	<u>-</u>
Balance, December 31, 2011	<u>\$ 208,270</u>	<u>\$ 2,391,278</u>	<u>\$ 1,441,845</u>
Balance, January 1, 2012	\$ 208,270	\$ 2,391,278	\$ 1,441,845
Unrealized gains/losses relating to instruments still held at the reporting date, (net)	20,700	263,510	120,409
Purchases, sales, issuances and settlements, (net)	(32,966)	-	-
Transfers in and/or out of Level 3	<u>(60,000)</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2012	<u>\$ 136,004</u>	<u>\$ 2,654,788</u>	<u>\$ 1,562,254</u>

	Limited Partnership Hedge Funds	Real Property
Balance, January 1, 2011	\$ 142,340	\$ 436,260
Unrealized gains/losses relating to instruments still held at the reporting date, (net)	(28,181)	-
Purchase, sales, issuances and settlements, (net)	<u>(16,193)</u>	<u>-</u>
Balance, December 31, 2011	<u>\$ 97,966</u>	<u>\$ 436,260</u>
Balance, January 1, 2012	\$ 97,966	\$ 436,260
Unrealized gains/losses relating to instruments still held at the reporting date, (net)	(22,574)	-
Purchases, sales, issuances and settlements, (net)	<u>(20,279)</u>	<u>-</u>
Balance, December 31, 2012	<u>\$ 55,113</u>	<u>\$ 436,260</u>

The \$60,000 transfer out of level 3 represents the amount which the investment manager funded as cash for a “clawback” reserve. This reserve represents restricted cash held by the trustee as a reserve for potential claims, which dependent on other factors, could be released by the trustee on October 24, 2013.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(11) Fair Value Measurements (continued)

The following table represents the Plan's level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

<u>Instrument</u>	<u>Fair Value</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Inputs</u>	<u>Range of Significant Input Values</u>
Segregated Portfolio	\$136,004	Side pocket residual investment	Practical expedient	Not applicable
Absolute Return Pool Fund	\$2,654,788	Independent valuation statements from respective hedge funds	Practical expedient	Not applicable
Hedged Equity Fund	\$1,562,254	Independent valuation statements from respective hedge funds	Practical expedient	Not applicable
Limited Partnership Hedge Funds	\$55,113	Side pocket residual investment	Practical expedient	Not applicable
Real Property	\$436,260	Historical cost	Not applicable	Not applicable

The following table summarizes investments measured at fair value based on net asset value (NAVs) per share.

<u>Instrument</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Segregated Portfolio	\$136,004	Not applicable	At the sole discretion of the General Partner	Not applicable
Absolute Return Pool Fund	\$2,654,788	Not applicable	Annually, only on December 31 at the expiration of the lockup period; shares are automatically reinvested at December 31 for an annual lock up	100 days, pursuant to a lockup provision for 12 months
Hedged Equity Fund	\$1,562,254	Not applicable	Quarterly, subject to a 12 month lockup provision	Written notice 75 days prior to quarter end
Limited Partnership Hedge Funds	\$55,113	Not applicable	At the sole discretion of the underlying hedge fund managers	Not applicable

(12) Endowment Net Assets

In accordance with the requirements, established by the FASB, for endowment funds, the Museum shall provide information about the net assets of its endowment funds. The Museum's Board of Directors (the Board) is of the belief they have a strong fiduciary duty to manage the assets of the Museum endowments in the most prudent manner possible. The Board recognizes the intent is to protect donor intent with respect to expenditures from endowments. If this intent is clearly expressed by the donor, whether the intent is in a written gift instrument or not, the intent of the donor is followed. If the intent is not expressed, the Board ensures the assets of the endowment are spent in a prudent manner which considers the purpose of the fund, current economic conditions, and preservation of the fund.

The investment goal is to ensure that the funds are invested for the exclusive benefit of the Museum in a prudent manner so that they will be available to meet the current and future needs of the Museum.

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(12) **Endowment Net Assets (continued)**

It is the objective of this policy to generate long term growth coupled with sufficient income to support the current operating requirements of the Museum. An annual real total return (net of fees) of at least 5% measured over rolling five-year periods is expected. The goals and objectives of the Museum's investment policy are to 1) provide investment earnings adequate to fulfill the desires of donors as stated in the gift instruments, 2) achieve a total return adequate to fund the spending rate plus corpus growth to ensure future benefits to new generations, and 3) invest in a variety of diversified categories so that the diversity of the performance characteristics will reduce the volatility of returns from year to year.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Museum to retain as a fund of perpetual duration. The Museum had a decline in the fair market value of certain endowments of \$13,748, which reduced the value of the endowments to be below corpus at December 31, 2011. This amount was funded from the Katrina fund for the investment deficiencies. As of December 31, 2012, this amount has not been repaid.

The composition of the Museum's endowments by net asset class as of December 31, 2012 was:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, by type				
Donor-restricted endowment funds	\$ -	4,104,489	11,664,038	\$ 15,768,527
Board-designated endowment funds	9,207,325	-	12,462,635	21,669,960
Total funds	<u>\$ 9,207,325</u>	<u>4,104,489</u>	<u>24,126,673</u>	<u>\$ 37,438,487</u>
Change in endowment net assets				
Endowment net assets, beginning of year	<u>\$ 7,776,207</u>	<u>2,614,671</u>	<u>23,285,282</u>	<u>\$ 33,676,160</u>
Investment return:				
Investment income	220,355	153,527	-	373,882
Net depreciation (realized and unrealized)	<u>2,465,368</u>	<u>1,666,209</u>	<u>-</u>	<u>4,131,577</u>
	2,685,723	1,819,736	-	4,505,459
Other income	900,769	4,000	640,391	1,545,160
Contributions	<u>1,050</u>	<u>-</u>	<u>201,000</u>	<u>202,050</u>
Subtotal	<u>3,587,542</u>	<u>1,823,736</u>	<u>841,391</u>	<u>6,252,669</u>
Other changes:				
Art purchase	-	41,330	-	41,330
Operating	110,967	26,455	-	137,422
Transfers out (in)	<u>2,045,457</u>	<u>266,133</u>	<u>-</u>	<u>2,311,590</u>
Subtotal	<u>2,156,424</u>	<u>333,918</u>	<u>-</u>	<u>2,490,342</u>
Endowment net assets, end of year	<u>\$ 9,207,325</u>	<u>4,104,489</u>	<u>24,126,673</u>	<u>\$ 37,438,487</u>

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

December 31, 2012 and 2011

(12) **Endowment Net Assets (continued)**

The composition of the Museum's endowments by net asset class as of December 31, 2011 was:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, by type				
Donor-restricted endowment funds	\$ -	2,614,671	10,822,647	\$ 13,437,318
Board-designated endowment funds	7,776,207	-	12,462,635	20,238,842
Total funds	<u>\$ 7,776,207</u>	<u>2,614,671</u>	<u>23,285,282</u>	<u>\$ 33,676,160</u>
Change in endowment net assets				
Endowment net assets, beginning of year	<u>\$ 9,394,266</u>	<u>3,117,738</u>	<u>21,565,090</u>	<u>\$ 34,077,094</u>
Investment return:				
Investment income	153,552	63,640	-	217,192
Net depreciation (realized and unrealized)	(469,947)	(235,530)	-	(705,477)
	(316,395)	(171,890)	-	(488,285)
Other income	668,004	106,103	1,719,760	2,493,867
Contributions	12,528	500	50	13,078
Subtotal	<u>364,137</u>	<u>(65,287)</u>	<u>1,719,810</u>	<u>2,018,660</u>
Other changes:				
Art purchase	-	97,500	-	97,500
Operating	131,515	96,185	-	227,700
Transfers out (in)	1,850,681	244,095	(382)	2,094,394
Subtotal	<u>1,982,196</u>	<u>437,780</u>	<u>(382)</u>	<u>2,419,594</u>
Endowment net assets, end of year	<u>\$ 7,776,207</u>	<u>2,614,671</u>	<u>23,285,282</u>	<u>\$ 33,676,160</u>

(13) **Expenses Paid by Related Party**

The City of New Orleans pays certain costs on behalf of the Museum, including fine art insurance, property insurance, phone and internet service, and electricity, approximating \$600,000 and \$565,000 for the years ended December 31, 2012 and 2011, respectively. These costs have not been reflected in the financial statements of the Museum. In addition, certain assets and other property of the City of New Orleans are used by the Museum during its operations.

(14) **Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 28, 2013, and determined that there were no subsequent events requiring disclosure.

NEW ORLEANS MUSEUM OF ART

Schedules

December 31, 2012

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Assets	Operating			Endowment (Board Designated)	NOMA Volunteer Committee (Operating)	Partners in Art (Program)
	Operating	Building and Equipment	AMON (Board Designated)			
Current assets:						
Cash	\$ 69,215	-	-	740,525	33,290	-
Investments, short-term	75,770	-	-	724,111	92,963	-
Receivables:						
Promises to give	25,000	-	-	-	-	-
Grants	265,981	-	-	-	-	-
Inventories	149,022	-	-	-	-	-
Prepaid assets	31,922	-	-	-	-	-
Due from other funds	88,396	-	-	-	-	-
Total current assets	705,306	-	-	1,464,636	126,253	-
Promises to give	-	-	-	-	-	-
Investments, long-term	-	-	-	6,217,844	-	-
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	12,046,390	-	-	-	-
Total assets	\$ 705,306	12,046,390	-	7,682,480	126,253	-
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	\$ 186,298	-	-	11,730	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	269,139	-	-	-	-	-
Accumulated unused sick and annual leave	119,745	-	-	-	-	-
Total current liabilities	575,182	-	-	11,730	-	-
Net assets:						
Unrestricted	130,124	12,046,390	-	7,670,750	126,253	-
Restricted:						
Temporarily	-	-	-	-	-	-
Permanently	-	-	-	-	-	-
Total net assets	130,124	12,046,390	-	7,670,750	126,253	-
Total liabilities and net assets	\$ 705,306	12,046,390	-	7,682,480	126,253	-

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule I

Assets	Edith Stern (Program)	Katrina Relief Fund (Operating)	Pepper Brown (Program)	Subtotal Unrestricted Net Assets	Deaccessions (Art Purchase)	Boles (Art Purchase)
Current assets:						
Cash	-	-	-	843,030	11	-
Investments, short-term	-	-	-	892,844	-	-
Receivables:						
Promises to give	-	-	-	25,000	-	-
Grants	-	-	-	265,981	-	-
Inventories	-	-	-	149,022	-	-
Prepaid assets	-	-	-	31,922	-	-
Due from other funds	-	-	-	88,396	-	-
Total current assets	-	-	-	2,296,195	11	-
Promises to give						
Investments, long-term	-	-	-	-	-	-
Investment - real property	-	1,537,646	-	7,755,490	664,215	1,280,586
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	-	1,537,646	-	22,098,075	664,226	1,280,586
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	38,928	-	236,956	1,365	-
Due to other funds	-	88,396	-	88,396	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	269,139	-	-
Accumulated unused sick and annual leave	-	-	-	119,745	-	-
Total current liabilities	-	127,324	-	714,236	1,365	-
Net assets:						
Unrestricted	-	1,410,322	-	21,383,839	-	-
Restricted:						
Temporarily	-	-	-	-	662,861	1,280,586
Permanently	-	-	-	-	-	-
Total net assets	-	1,410,322	-	21,383,839	662,861	1,280,586
Total liabilities and net assets	-	1,537,646	-	22,098,075	664,226	1,280,586

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule 1

Assets	George Frierion (Art Purchase)	Robert Gordy (Art Purchase)	Benjamin J. Harrod (Art Purchase)	Carrie Heiderich (Art Purchase)	Augusta M. Jourdan (Art Purchase)	Mervin Morais (Art Purchase)
Current assets:						
Cash	-	11,198	-	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	11,198	-	-	-	-
Promises to give						
Investments, long-term	373,497	209,763	7,009	115,028	7,733	180,634
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	<u>\$ 373,497</u>	<u>220,961</u>	<u>7,009</u>	<u>115,028</u>	<u>7,733</u>	<u>180,634</u>
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	373,497	220,961	7,009	115,028	7,733	180,634
Permanently	-	-	-	-	-	-
Total net assets	<u>373,497</u>	<u>220,961</u>	<u>7,009</u>	<u>115,028</u>	<u>7,733</u>	<u>180,634</u>
Total liabilities and net assets	<u>\$ 373,497</u>	<u>220,961</u>	<u>7,009</u>	<u>115,028</u>	<u>7,733</u>	<u>180,634</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Assets	P.R. Norman (Art Purchase)	F.B. Richardson African (Art Purchase)	Tina Freeman Photography (Art Purchase)	Carmen Donaldson (Art Purchase)	Martele Silver (Art Purchase)	Alvin Merlin (Art Purchase)
Current assets:						
Cash	-	-	-	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	-	-	-
Promises to give						
Investments, long-term	113,361	43,282	27,305	162,995	104,160	20,972
Investment - real property	-	-	-	-	426,260	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	<u>\$ 113,361</u>	<u>43,282</u>	<u>27,305</u>	<u>162,995</u>	<u>530,420</u>	<u>20,972</u>
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	113,361	43,282	27,305	162,995	530,420	20,972
Permanently	-	-	-	-	-	-
Total net assets	<u>113,361</u>	<u>43,282</u>	<u>27,305</u>	<u>162,995</u>	<u>530,420</u>	<u>20,972</u>
Total liabilities and net assets	<u>\$ 113,361</u>	<u>43,282</u>	<u>27,305</u>	<u>162,995</u>	<u>530,420</u>	<u>20,972</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Assets	Building Expansion Fund (Capital)	Brace Acquisition Fund (Art Purchase)	Joel Weinstock (Art Purchase)	Asian Art (Art Purchase)	Elise Besthoff (Art Purchase)	Besthoff Sculpture Garden (Capital)
Current assets:						
Cash	-	-	-	100	-	127,901
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	100	-	127,901
Promises to give						
Investments, long-term	-	-	-	-	-	-
Investment - real property	-	985,361	73,004	134,348	134,317	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	\$ -	\$ 985,361	\$ 73,004	\$ 134,448	\$ 134,317	\$ 127,901

Liabilities and Net Assets

Current liabilities:						
Accounts payable, accruals, and other liabilities	\$ -	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	-	985,361	73,004	134,448	134,317	127,901
Permanently	-	-	-	-	-	-
Total net assets	-	\$ 985,361	\$ 73,004	\$ 134,448	\$ 134,317	\$ 127,901
Total liabilities and net assets	\$ -	\$ 985,361	\$ 73,004	\$ 134,448	\$ 134,317	\$ 127,901

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Assets	Chapman H. Hyams 1951 (Gallery Maintenance)	Chapman H. Hyams 1952 (Gallery Maintenance)	George F. Lapeyre (Gallery Maintenance)	Starting Point (Program)	M.D. Van Horn (Education)	Library (Books)
Current assets:						
Cash	\$ -	-	-	-	-	2,000
Investments, short-term	-	-	-	-	-	3,469
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	-	-	5,469
Promises to give	-	-	-	-	-	-
Investments, long-term	104,047	9,738	84,215	54,513	15,347	15,571
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	\$ 104,047	9,738	84,215	54,513	15,347	21,040
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	\$ -	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	104,047	9,738	84,215	54,513	15,347	21,040
Permanently	-	-	-	-	-	-
Total net assets	104,047	9,738	84,215	54,513	15,347	21,040
Total liabilities and net assets	\$ 104,047	9,738	84,215	54,513	15,347	21,040

See accompanying independent auditors' report. (Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule I

Assets	Ella West Freeman Foundation (Directorship)	RosaMary Foundation (Curatorship)	Docent (Program)	Zemurray Foundation (Curatorship)	Freeman Family (Curatorship)	Patrick F. Taylor (Scholar Program)
Current assets:						
Cash	-	-	42,363	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	42,363	-	-	-
Promises to give	-	-	-	-	-	-
Investments, long-term	274,092	302,806	46,688	302,371	84,819	26,702
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	<u>274,092</u>	<u>302,806</u>	<u>89,051</u>	<u>302,371</u>	<u>84,819</u>	<u>26,702</u>
	\$					
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	175	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	175	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	274,092	302,806	88,876	302,371	84,819	26,702
Permanently	-	-	-	-	-	-
Total net assets	<u>274,092</u>	<u>302,806</u>	<u>88,876</u>	<u>302,371</u>	<u>84,819</u>	<u>26,702</u>
Total liabilities and net assets	<u>\$ 274,092</u>	<u>302,806</u>	<u>89,051</u>	<u>302,371</u>	<u>84,819</u>	<u>26,702</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule I

Assets	Welch Fund 2103 (Program)	Welch Fund 2203 (Program)	Temporary Exhibitions (Exhibition)	Asian Deaccessions (Art Purchase)	American Master Works (Art Purchase)	Mid-Week (Program)
Current assets:						
Cash	-	-	3,000	-	1,150	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	<u> -</u>	<u> -</u>	<u> 3,000</u>	<u> -</u>	<u> 1,150</u>	<u> -</u>
Promises to give						
Investments, long-term	2,786	2,908	-	6,180	-	-
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	<u>\$ 2,786</u>	<u> 2,908</u>	<u> 3,000</u>	<u> 6,180</u>	<u> 1,150</u>	<u> -</u>
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	2,786	2,908	3,000	6,180	1,150	-
Permanently	-	-	-	-	-	-
Total net assets	<u> 2,786</u>	<u> 2,908</u>	<u> 3,000</u>	<u> 6,180</u>	<u> 1,150</u>	<u> -</u>
Total liabilities and net assets	<u>\$ 2,786</u>	<u> 2,908</u>	<u> 3,000</u>	<u> 6,180</u>	<u> 1,150</u>	<u> -</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule 1

Assets	Director Discretionary (Operating)	Weisman Gallery Programming (Gallery Maintenance)	Kuntz Gallery Renovation (Gallery Maintenance)	African Art (Art Purchase)	Besthoff Endowment (Operating)	Thornton Dial (Exhibition)
Current assets:						
Cash	-	-	-	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	-	-	-
Promises to give						
Investments, long-term	-	10,763	21,593	50,465	139,668	-
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	\$ -	\$ 10,763	\$ 21,593	\$ 50,465	\$ 139,668	\$ -
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	-	10,763	21,593	50,465	139,668	-
Permanently	-	-	-	-	-	-
Total net assets	-	10,763	21,593	50,465	139,668	-
Total liabilities and net assets	\$ -	\$ 10,763	\$ 21,593	\$ 50,465	\$ 139,668	\$ -

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule 1

Assets	Special Projects (Program)	Andy Warhol (Program)	Inventing the Modern World (Exhibition)	Camille Henrot (Exhibition)	BP Marketing Fund (Operating)	Mel Chin (Exhibition)
Current assets:						
Cash	15,878	1,149	115,000	13,376	125,000	108,250
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	15,878	1,149	115,000	13,376	125,000	108,250
Promises to give	-	-	-	-	-	-
Investments, long-term	15,993	23,866	-	-	-	-
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	31,871	25,015	115,000	13,376	125,000	108,250
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	496	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	496	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	31,871	25,015	115,000	13,376	124,504	108,250
Permanently	-	-	-	-	-	-
Total net assets	31,871	25,015	115,000	13,376	124,504	108,250
Total liabilities and net assets	31,871	25,015	115,000	13,376	125,000	108,250

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule J

Assets	Spanish Colonial Gallery (Operating)	Leah Chase Art Purchase Fund (Art Purchase)	Japanese Textile 2014 Fund (Exhibition)	Fountainbleau Photography Fund (Exhibition)	Azby Endowment Fund (Operating)	Charlotte Mann & Joshua Mann Pallet Endowment (Operating)
Current assets:						
Cash	-	-	9,784	6,296	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	9,784	6,296	-	-
Promises to give						
Investments, long-term	44,299	113,088	-	-	3,560	3,559
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	\$ 44,299	\$ 113,088	\$ 9,784	\$ 6,296	\$ 3,560	\$ 3,559
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	44,299	113,088	9,784	6,296	3,560	3,559
Permanently	-	-	-	-	-	-
Total net assets	44,299	113,088	9,784	6,296	3,560	3,559
Total liabilities and net assets	\$ 44,299	\$ 113,088	\$ 9,784	\$ 6,296	\$ 3,560	\$ 3,559

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule 1

Assets	Taylor Education Endowment (Education)	Subtotal Temporarily Restricted	Operating Endowment Principal	Boles (Art Purchase) Principal	George Frierson (Art Purchase) Principal	Robert Gordy (Art Purchase) Principal
Current assets:						
Cash	-	582,456	-	-	-	-
Investments, short-term	-	3,469	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	585,925	-	-	-	-
Promises to give						
Investments, long-term	17,799	6,415,006	12,753,026	1,569,862	844,732	526,156
Investment - real property	-	426,260	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	17,799	7,427,191	12,753,026	1,569,862	844,732	526,156
	\$					
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	2,036	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	2,036	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	17,799	7,425,155	12,753,026	1,569,862	844,732	526,156
Permanently	-	-	-	-	-	-
Total net assets	17,799	7,425,155	12,753,026	1,569,862	844,732	526,156
Total liabilities and net assets	17,799	7,427,191	12,753,026	1,569,862	844,732	526,156
	\$					

(Continued)

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule I

Assets	Benjamin J. Harrod (Art Purchase) Principal	Carrie Heiderich (Art Purchase) Principal	Augusta M. Jourdan (Art Purchase) Principal	Mervin Morais (Art Purchase) Principal	P.R. and Sunny Norman (Art Purchase) Principal	F.B. Richardson African Art (Art Purchase) Principal
Current assets:						
Cash	-	-	-	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	-	-	-
Promises to give	-	-	-	-	-	-
Investments, long-term	5,604	303,797	4,483	107,060	151,029	170,250
Investment - real property	-	10,000	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	\$ 5,604	\$ 313,797	\$ 4,483	\$ 107,060	\$ 151,029	\$ 170,250

Liabilities and Net Assets

Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	-	-	-	-	-	-
Permanently	5,604	313,797	4,483	107,060	151,029	170,250
Total net assets	5,604	313,797	4,483	107,060	151,029	170,250
Total liabilities and net assets	\$ 5,604	\$ 313,797	\$ 4,483	\$ 107,060	\$ 151,029	\$ 170,250

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule I

Assets	Carmen Donaldson (Art Purchase) Principal	Elise Besthoff (Art Purchase) Principal	Tina Freeman (Art Purchase) Principal	Alvin Merlin (Art Purchase) Principal	Joel Weinstock (Art Purchase) Principal	Chapman H. Hyams 1951 (Gallery Maintenance) Principal
Current assets:						
Cash	-	-	-	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	-	-	-
Promises to give						
Investments, long-term	405,210	250,000	239,000	22,294	126,367	58,286
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	\$ 405,210	250,000	239,000	22,294	126,367	58,286
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	-	-	-	-	-	-
Permanently	405,210	250,000	239,000	22,294	126,367	58,286
Total net assets	405,210	250,000	239,000	22,294	126,367	58,286
Total liabilities and net assets	\$ 405,210	250,000	239,000	22,294	126,367	58,286

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule 1

Assets	Chapman H. Hyams 1952 (Gallery Maintenance) Principal	George F. Lapeyre (Gallery Maintenance) Principal	M.D. Van Horn (Education) Principal	Ella West Freeman Foundation (Directorship) Principal	RosaMary Foundation Decorative Arts (Curatorship) Principal	Zemurray Curatorial Foundation (Curatorship) Principal
Current assets:						
Cash	\$ -	-	-	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	-	-	-
Promises to give						
Investments, long-term	4,460	56,036	141,695	1,000,000	1,000,000	1,000,000
Investment - real property	-	-	-	-	-	-
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	\$ 4,460	56,036	141,695	1,000,000	1,000,000	1,000,000
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	\$ -	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	-	-	-	-	-	-
Permanently	4,460	56,036	141,695	1,000,000	1,000,000	1,000,000
Total net assets	4,460	56,036	141,695	1,000,000	1,000,000	1,000,000
Total liabilities and net assets	\$ 4,460	56,036	141,695	1,000,000	1,000,000	1,000,000

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule I

Assets	Freeman Family Curatorial (Curatorship) Principal	Patrick F. Taylor (Scholar) Principal	Besthoff Endowment (Operating) Principal	Azby Endowment (Operating) Principal	Charlotte Mann & Joshua Mann Paillet Endowment (Operating) Principal	Taylor Education Endowment (Education) Principal
Current assets:						
Cash	-	-	-	-	-	-
Investments, short-term	-	-	-	-	-	-
Receivables:						
Promises to give	-	-	-	50,000	60,000	250,000
Grants	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total current assets	-	-	-	50,000	60,000	250,000
Promises to give						
Investments, long-term	1,000,000	357,143	970,183	200,000	140,000	-
Investment - real property	-	-	-	50,000	50,000	250,000
Building, improvements and equipment, net	-	-	-	-	-	-
Total assets	<u>\$ 1,000,000</u>	<u>357,143</u>	<u>970,183</u>	<u>300,000</u>	<u>250,000</u>	<u>500,000</u>
Liabilities and Net Assets						
Current liabilities:						
Accounts payable, accruals, and other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Salaries, taxes, withholdings, and pension payable	-	-	-	-	-	-
Accumulated unused sick and annual leave	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Net assets:						
Unrestricted	-	-	-	-	-	-
Restricted:						
Temporarily	-	-	-	-	-	-
Permanently	1,000,000	357,143	970,183	300,000	250,000	500,000
Total net assets	<u>1,000,000</u>	<u>357,143</u>	<u>970,183</u>	<u>300,000</u>	<u>250,000</u>	<u>500,000</u>
Total liabilities and net assets	<u>\$ 1,000,000</u>	<u>357,143</u>	<u>970,183</u>	<u>300,000</u>	<u>250,000</u>	<u>500,000</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Financial Position
 December 31, 2012

Schedule I

Assets	Subtotal Permanently Restricted	2012 Total
Current assets:		
Cash	-	1,425,486
Investments, short-term	-	896,313
Receivables:		
Promises to give	360,000	385,000
Grants	-	265,981
Inventories	-	149,022
Prepaid assets	-	31,922
Due from other funds	-	88,396
Total current assets	<u>360,000</u>	<u>3,242,120</u>
Promises to give	340,000	340,000
Investments, long-term	23,416,673	37,587,169
Investment - real property	10,000	436,260
Building, improvements and equipment, net	-	12,046,390
Total assets	<u>\$ 24,126,673</u>	<u>\$ 53,651,939</u>
Current liabilities:		
Accounts payable, accruals, and other liabilities	-	238,992
Due to other funds	-	88,396
Salaries, taxes, withholdings, and pension payable	-	269,139
Accumulated unused sick and annual leave	-	119,745
Total current liabilities	<u>-</u>	<u>716,272</u>
Net assets:		
Unrestricted	-	21,383,839
Restricted:		
Temporarily	-	7,425,155
Permanently	<u>24,126,673</u>	<u>24,126,673</u>
Total net assets	<u>24,126,673</u>	<u>52,935,667</u>
Total liabilities and net assets	<u>\$ 24,126,673</u>	<u>\$ 53,651,939</u>

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Activities, Unrestricted Net Assets
 Year ended December 31, 2012

	Operating	Building and Equipment	Operating AMON (Board Designated)	Endowment (Board Designated)	NOMA Volunteer Committee (Operating)	Partners in Art (Program)
Support and revenue:						
Support:						
Individual contributions	92,526	-	-	-	1,050	-
City, State, and Federal grants	455,939	-	300,000	-	-	-
Sponsorship	18,667	-	-	-	-	-
Corporate support	115,295	-	-	-	-	-
Donation Boxes	13,116	-	-	-	-	-
Affiliate memberships	791,190	-	-	-	348,385	-
Odyssey Ball, net of direct costs	50,501	-	-	-	222,080	-
Special benefits, net of direct costs	-	-	-	30,304	-	-
Legacies	367,373	-	-	-	-	-
Foundations	1,904,607	-	300,000	30,304	571,515	-
Total support						
Revenue:						
General membership dues	380,873	-	-	-	-	-
Business and university memberships	66,800	-	-	-	-	-
Admission charges	366,752	-	-	-	-	-
Arts Quarterly and other publications, net	2,972	-	-	-	-	-
Education programs	28,214	-	-	-	-	-
Exhibition programs	93,498	-	-	-	-	-
Special evenings	349,565	-	-	-	-	-
Members' events	38,207	-	-	205,123	313	-
Interest and dividends	257	-	-	2,307,870	-	-
Net depreciation in investments	-	-	-	-	-	-
Miscellaneous	946	-	-	-	-	-
Royalties	773	-	-	-	-	-
Museum shop	314,716	-	-	2,512,993	-	-
Total revenue	1,643,573	-	-	2,512,993	313	-
Total support and revenue before net assets released from restrictions/transfers	3,548,180	-	300,000	2,543,297	571,828	-
Net assets released from restrictions/transfers:						
Transfers	678,684	-	-	-	-	-
	2,519,717	303,959	(517,510)	(891,486)	(593,239)	(1,200)
Total net assets released/transfers	3,198,401	303,959	(517,510)	(891,486)	(593,239)	(1,200)
Total revenue and support	6,746,581	303,959	(217,510)	1,651,811	(21,411)	(1,200)
Expenses:						
Administrative	1,233,328	-	-	56,300	-	-
Computer operations	83,616	-	-	-	-	-
Building/Sculpture Garden	744,511	560,427	1,741	-	-	-
Security	696,069	-	-	-	-	-
Museum shop	297,390	-	-	-	-	-
Art division:						
Collections	1,112,093	-	-	-	-	-
Art accessions not capitalized	247,030	-	-	-	-	-
Exhibition programs	665,346	-	-	-	-	-
Arts Quarterly	79,075	-	-	-	-	-
Education programs	302,435	-	-	-	-	-
Public relations and fund raising	631,843	-	-	-	13,473	-
Member activities	92,067	-	-	-	-	-
Restricted expenses	431,654	-	-	-	-	-
Total expenses	6,616,457	560,427	1,741	56,300	13,473	-
Changes in net assets	130,124	(256,468)	(219,251)	1,595,511	(34,884)	(1,200)
Net assets, beginning of year	-	12,302,858	219,251	6,075,239	161,137	1,200
Net assets, end of year	\$ 130,124	\$ 12,046,390	\$ -	\$ 7,670,750	\$ 126,253	\$ -

(Continued)

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART
 Combining Schedule of Activities, Unrestricted Net Assets
 Year ended December 31, 2012

	Edith Stern (Program)	Katrina Relief (Operating)	Pepper Brown (Program)	2012 Total
Support and revenue:				
Support:				
Individual contributions	-	-	-	93,576
City, State, and Federal grants	-	-	-	755,939
Sponsorship	-	-	-	18,667
Corporate support	-	-	-	115,295
Donation Boxes	-	-	-	13,116
Affiliate memberships	-	-	-	791,190
Odyssey Ball, net of direct costs	-	-	-	348,385
Special benefits, net of direct costs	-	-	-	272,581
Legacies	-	-	-	30,304
Foundations	-	-	-	367,373
Total support	-	-	-	2,806,426
Revenue:				
General membership dues	-	-	-	380,873
Business and university memberships	-	-	-	66,800
Admission charges	-	-	-	366,752
Arts Quarterly and other publications, net	-	-	-	2,972
Education programs	-	-	-	28,214
Exhibition programs	-	-	-	93,498
Special evenings	-	-	-	349,565
Members' events	-	-	-	38,207
Interest and dividends	100	14,805	14	220,612
Net depreciation in investments	1,137	156,361	-	2,465,368
Miscellaneous	-	-	-	946
Royalties	-	-	-	773
Museum shop	-	-	-	314,716
Total revenue	1,237	171,166	14	4,329,296
Total support and revenue before net assets released from restrictions/transfers	1,237	171,166	14	7,135,722
Net assets released from restrictions/transfers:				
Transfers	(35,885)	114	(6,251)	678,684
Total net assets released/transfers	(34,648)	114	(6,237)	778,219
Total revenue and support	5	520	-	1,456,903
Expenses:				
Administrative	-	-	-	1,290,153
Computer operations	-	-	-	83,616
Building/Sculpture Garden	-	38,928	-	1,345,607
Security	-	-	-	696,069
Museum shop	-	-	-	297,390
Art division:				
Collections	-	-	-	1,112,093
Art accessions not capitalized	-	-	-	247,030
Exhibition programs	-	-	-	665,346
Arts Quarterly	-	-	-	79,075
Education programs	-	-	-	302,435
Public relations and fund raising	-	-	-	645,316
Member activities	-	-	-	92,067
Restricted expenses	-	-	-	431,654
Total expenses	5	39,448	-	7,287,851
Changes in net assets	(34,653)	131,832	(6,237)	1,304,774
Net assets, beginning of year	34,653	1,278,490	6,237	20,079,065
Net assets, end of year	-	1,410,322	-	21,383,839

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	Deaccessions (Art Purchase)	Boles (Art Purchase)	George Frierson (Art Purchase)	Robert Gordy (Art Purchase)	Benjamin J. Harrod (Art Purchase)	Carrie Heiderich (Art Purchase)
Support and revenue:						
Support:						
Individual contributions	\$ 4,920	-	-	-	-	-
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	-	-	-	-	-
Corporate support	3,000	-	-	-	-	-
Foundations	81,730	-	-	-	-	-
Total support	89,650	-	-	-	-	-
Revenue:						
Interest and dividends	7,731	29,392	12,561	7,588	130	4,305
Net appreciation (depreciation) in investments	81,104	329,458	140,804	85,058	1,458	47,895
Royalties	-	-	-	-	-	4,000
Deaccessions	600	-	-	-	-	-
Total revenue	89,435	358,850	153,365	92,646	1,588	56,200
Total support and revenue before net assets released from restrictions/transfers	179,085	358,850	153,365	92,646	1,588	56,200
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	(167,700)	-	-	-	(1,500)	-
Restricted expenses	(3,289)	(1,153)	(493)	(3,814)	(5)	(167)
Total net assets released	(170,989)	(1,153)	(493)	(3,814)	(1,505)	(167)
Transfers	(445)	-	-	-	-	-
Total net assets released/transfers	(171,434)	(1,153)	(493)	(3,814)	(1,505)	(167)
Changes in net assets	7,651	357,697	152,872	88,832	83	56,033
Net assets, beginning of year	655,210	922,889	220,625	132,129	6,926	58,995
Net assets, end of year	\$ 662,861	1,280,586	373,497	220,961	7,009	115,028

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	Augusta M. Jourdan (Art Purchase)	Mervin Morais (Art Purchase)	P.R. and Sunny Norman (Art Purchase)	F.B. Richardson African (Art Purchase)	Tina Freeman Photography (Art Purchase)	Carmen Donaldson (Art Purchase)
Support and revenue:						
Support:						
Individual contributions	-	-	-	-	-	-
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	-	-	-	-	-
Corporate support	-	-	-	-	-	-
Foundations	-	-	-	-	-	-
Total support	-	-	-	-	-	-
Revenue:						
Interest and dividends	126	5,694	2,725	2,202	2,769	5,935
Net appreciation (depreciation) in investments	1,412	23,988	30,516	24,680	31,201	67,055
Royalties	-	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	1,538	29,682	33,241	26,882	33,970	72,990
Total support and revenue before net assets released from restrictions/transfers	1,538	29,682	33,241	26,882	33,970	72,990
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	-	-	-	(8,880)	(8,000)	(22,950)
Restricted expenses	(5)	(827)	(107)	(86)	(110)	(236)
Total net assets released	(5)	(827)	(107)	(8,966)	(8,110)	(23,186)
Transfers	-	-	-	-	-	-
Total net assets released/transfers	(5)	(827)	(107)	(8,966)	(8,110)	(23,186)
Changes in net assets	1,533	28,855	33,134	17,916	25,860	49,804
Net assets, beginning of year	6,200	151,779	80,227	25,366	1,445	113,191
Net assets, end of year	7,733	180,634	113,361	43,282	27,305	162,995

(Continued)

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	Martele Silver (Art Purchase)	Alvin Merlin (Art Purchase)	Building Expansion (Capital)	Brace Acquisition Fund (Art Purchase)	Joel Weinstock (Art Purchase)	Asian Art (Art Purchase)
Support and revenue:						
Support:						
Individual contributions	-	-	-	-	-	-
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	-	-	-	-	-
Corporate support	-	-	-	-	-	-
Foundations	-	-	-	-	-	-
Total support	-	-	-	-	-	-
Revenue:						
Interest and dividends	1,006	446	94	9,952	2,056	1,385
Net appreciation (depreciation) in investments	10,397	5,001	-	107,712	23,043	15,506
Royalties	18,328	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	29,731	5,447	94	117,664	25,099	16,891
Total support and revenue before net assets released from restrictions/transfers	29,731	5,447	94	117,664	25,099	16,891
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	-	-	-	-	-	-
Restricted expenses	(304)	(18)	(63,190)	(369)	(81)	(54)
Total net assets released	(304)	(18)	(63,190)	(369)	(81)	(54)
Transfers	-	-	(32,750)	-	-	-
Total net assets released/transfers	(304)	(18)	(95,940)	(369)	(81)	(54)
Changes in net assets	29,427	5,429	(95,846)	117,295	25,018	16,837
Net assets, beginning of year	500,993	15,543	95,846	868,066	47,986	117,611
Net assets, end of year	530,420	20,972	-	985,361	73,004	134,448

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	Elise Besthoff (Art Purchase)	Besthoff Sculpture Garden (Capital)	Chapman H. Hyams 1951 (Gallery Maintenance)	Chapman H. Hyams 1952 (Gallery Maintenance)	George F. Lapeyre (Gallery Maintenance)	Starting Point (Program)
Support and revenue:						
Support:						
Individual contributions	\$ -	230,105	-	-	-	-
City, State, and Federal grants	-	20,000	-	-	-	-
Sponsorships	-	-	-	-	-	-
Corporate support	-	-	-	-	-	-
Foundations	-	-	-	-	-	-
Total support	-	250,105	-	-	-	-
Revenue:						
Interest and dividends	3,962	143	3,260	284	1,446	503
Net appreciation (depreciation) in investments	44,420	2,528	19,840	1,726	16,210	3,238
Royalties	-	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	48,382	2,671	23,100	2,010	17,656	3,741
Total support and revenue before net assets released from restrictions/transfers	48,382	252,776	23,100	2,010	17,656	3,741
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	(155)	(123,874)	(1,313)	(114)	(57)	(7)
Restricted expenses	(155)	(123,874)	(1,313)	(114)	(57)	(7)
Total net assets released	-	(48,905)	-	-	-	-
Transfers						
Total net assets released/transfers	(155)	(172,779)	(1,313)	(114)	(57)	(7)
Changes in net assets	48,227	79,997	21,787	1,896	17,599	3,734
Net assets, beginning of year	86,090	47,904	82,260	7,842	66,616	50,779
Net assets, end of year	\$ 134,317	127,901	104,047	9,738	84,215	54,513

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	M.D. Van Horn (Education)	Library (Books)	Ella West Freeman Foundation (Directorship)	RosaMary Foundation (Curatorship)	Docent (Program)	Zemurray Foundation (Curatorship)
Support and revenue:						
Support:						
Individual contributions	\$ -	238	-	-	-	-
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	-	-	-	-	-
Corporate support	-	-	-	-	-	-
Foundations	-	-	-	-	-	-
Total support	-	238	-	-	-	-
Revenue:						
Interest and dividends	1,626	250	13,240	13,539	544	13,534
Net appreciation (depreciation) in investments	18,215	3,296	149,126	152,490	4,855	152,440
Royalties	-	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	19,841	3,546	162,366	166,029	5,399	165,974
Total support and revenue before net assets released from restrictions/transfers	19,841	3,784	162,366	166,029	5,399	165,974
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	(64)	(4,672)	(524)	(536)	(3,549)	(536)
Restricted expenses	(64)	(4,672)	(524)	(536)	(3,549)	(536)
Total net assets released	(5,031)	(24,092)	(61,992)	(63,484)	(62,000)	(63,463)
Transfers	(5,095)	(28,764)	(62,516)	(64,020)	(65,549)	(63,999)
Total net assets released/transfers	14,746	(24,980)	99,850	102,009	(60,150)	101,975
Changes in net assets	601	46,020	174,242	200,797	149,026	200,396
Net assets, beginning of year						
Net assets, end of year	\$ 15,347	21,040	274,092	302,806	88,876	302,371

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	Freeman Family (Curatorship)	Patrick F. Taylor (Scholar Program)	Welch Fund 2103 (Program)	Welch Fund 2203 (Program)	Temporary Exhibitions (Exhibition)	Asian Deaccessions (Art Purchase)
Support and revenue:						
Support:						
Individual contributions	\$ -	-	-	-	3,000	-
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	-	-	-	-	-
Corporate support	-	-	-	-	-	-
Foundations	-	-	-	-	-	-
Total support	-	-	-	-	3,000	-
Revenue:						
Interest and dividends	11,274	3,990	26	28	31	95
Net appreciation (depreciation) in investments	126,979	44,942	165	172	-	367
Royalties	-	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	138,253	48,932	191	200	31	462
Total support and revenue before net assets released from restrictions/transfers	138,253	48,932	191	200	3,031	462
Net assets released from restrictions/transfers:						
Art division - art accessions	(447)	(15,158)	-	-	-	(38,000)
Restricted expenses	(447)	(15,158)	-	-	-	(1)
Total net assets released	(52,987)	(19,176)	-	-	-	(38,001)
Transfers	(53,434)	(34,334)	-	-	(15,129)	-
Total net assets released/transfers	84,819	14,598	191	200	(12,098)	(38,001)
Changes in net assets	-	12,104	2,595	2,708	15,098	43,719
Net assets, beginning of year	-	26,702	2,786	2,908	3,000	6,180
Net assets, end of year	\$ 84,819	\$ 38,806	\$ 2,981	\$ 5,616	\$ 18,098	\$ 50,909

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	American Master Works (Art Purchase)	Mid-Week (Program)	Director Discretionary (Operating)	Weisman Gallery Programming (Gallery Maintenance)	Kuntz Gallery Renovation (Gallery Maintenance)	African Art (Art Purchase)
Support and revenue:						
Support:						
Individual contributions	-	-	-	-	-	-
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	29,000	-	-	-	-
Corporate support	-	-	-	-	-	-
Foundations	-	-	-	-	-	-
Total support	-	29,000	-	-	-	-
Revenue:						
Interest and dividends	-	25	293	111	199	520
Net appreciation (depreciation) in investments	-	-	-	1,244	1,283	5,833
Royalties	-	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	-	25	293	1,355	1,482	6,353
Total support and revenue before net assets released from restrictions/transfers	-	29,025	293	1,355	1,482	6,353
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	-	-	-	-	-	-
Restricted expenses	-	-	(149,393)	(4)	(3)	(21)
Total net assets released	-	-	(149,393)	(4)	(3)	(21)
Transfers						
Total net assets released/transfers	-	(39,082)	(258,990)	-	-	-
Changes in net assets	-	(10,057)	(408,090)	(4)	(3)	(21)
Net assets, beginning of year	1,150	10,057	408,090	1,351	1,479	6,332
Net assets, end of year	1,150	-	-	9,412	20,114	44,133
	\$			10,763	21,593	50,465

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	Besthoff Endowment (Operating)	Thornton Dial (Exhibition)	Special Projects (Program)	Andy Warhol (Program)	Inventing the Modern World (Exhibition)	Camille Henrot (Exhibition)
Support and revenue:						
Support:						
Individual contributions	\$ -	10,000	11,169	-	-	-
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	16,500	-	-	-	15,335
Corporate support	-	-	-	-	50,000	-
Foundations	-	-	5,000	-	65,000	-
Total support	-	26,500	16,169	-	115,000	15,335
Revenue:						
Interest and dividends	11,443	-	136	266	-	-
Net appreciation (depreciation) in investments	128,252	-	950	3,121	-	-
Royalties	-	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	139,695	-	1,086	3,387	-	-
Total support and revenue before net assets released from restrictions/transfers	139,695	26,500	17,255	3,387	115,000	15,335
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	(449)	-	-	-	-	-
Restricted expenses	(449)	-	(27)	(7,083)	-	(1,959)
Total net assets released	-	-	(27)	(7,083)	-	(1,959)
Transfers	-	(41,500)	-	-	-	-
Total net assets released/transfers	(449)	(41,500)	(27)	(7,083)	-	(1,959)
Changes in net assets	139,246	(15,000)	17,228	(3,696)	115,000	13,376
Net assets, beginning of year	422	15,000	14,643	28,711	-	-
Net assets, end of year	\$ 139,668	-	31,871	25,015	115,000	13,376

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	BP Marketing Fund (Operating)	Mel Chin (Exhibition)	Spanish Colonial Gallery (Operating)	Leah Chase Art Purchase Fund (Art Purchase)	Japanese Textile 2014 Fund (Exhibition)	Fountainbleau Photography Fund (Exhibition)
Support and revenue:						
Support:						
Individual contributions	-	25,000	-	-	20,000	6,407
City, State, and Federal grants	-	-	-	-	-	-
Sponsorships	-	100,000	-	113,890	-	-
Corporate support	125,000	-	-	-	-	-
Foundations	-	-	25,000	-	-	-
Total support	<u>125,000</u>	<u>125,000</u>	<u>25,000</u>	<u>113,890</u>	<u>20,000</u>	<u>6,407</u>
Revenue:						
Interest and dividends	-	-	319	815	-	-
Net appreciation (depreciation) in investments	-	-	2,631	6,716	-	-
Royalties	-	-	-	-	-	-
Deaccessions	-	-	-	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>2,950</u>	<u>7,531</u>	<u>-</u>	<u>-</u>
Total support and revenue before net assets released from restrictions/transfers	<u>125,000</u>	<u>125,000</u>	<u>27,950</u>	<u>121,421</u>	<u>20,000</u>	<u>6,407</u>
Net assets released from restrictions/transfers:						
Net assets released from restrictions:						
Art division - art accessions	(496)	(16,750)	(8,651)	(8,333)	(10,216)	(111)
Restricted expenses	(496)	(16,750)	(8,651)	(8,333)	(10,216)	(111)
Total net assets released	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers						
Total net assets released/transfers	<u>(496)</u>	<u>(16,750)</u>	<u>16,349</u>	<u>(8,333)</u>	<u>(10,216)</u>	<u>(111)</u>
Changes in net assets	124,504	108,250	44,299	113,088	9,784	6,296
Net assets, beginning of year	-	-	-	-	-	-
Net assets, end of year	<u>\$ 124,504</u>	<u>\$ 108,250</u>	<u>\$ 44,299</u>	<u>\$ 113,088</u>	<u>\$ 9,784</u>	<u>\$ 6,296</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 3

Combining Schedule of Activities, Temporarily Restricted Net Assets
Year ended December 31, 2012

	Azby Endowment Fund (Operating)	Charlotte Mann & Joshua Mann Paillet Endowment (Operating)	Taylor Education Endowment (Education)	2012 Total
Support and revenue:				
Support:				
Individual contributions	\$ -	-	-	310,839
City, State, and Federal grants	-	-	-	20,000
Sponsorships	-	-	-	274,725
Corporate support	-	-	-	178,000
Foundations	-	-	-	176,730
Total support	-	-	-	960,294
Revenue:				
Interest and dividends	386	385	2,853	181,623
Net appreciation (depreciation) in investments	3,181	3,181	31,968	1,955,657
Royalties	-	-	-	22,328
Deaccessions	-	-	-	600
Total revenue	3,567	3,566	34,821	2,160,208
Total support and revenue before net assets released from restrictions/transfers	3,567	3,566	34,821	3,120,502
Net assets released from restrictions/transfers:				
Net assets released from restrictions:				
Art division - art accessions	-	-	-	(247,030)
Restricted expenses	(7)	(7)	(2,829)	(431,654)
Total net assets released	(7)	(7)	(2,829)	(678,684)
Transfers	-	-	(14,193)	(778,219)
Total net assets released/transfers	(7)	(7)	(17,022)	(1,456,903)
Changes in net assets	3,560	3,559	17,799	1,663,599
Net assets, beginning of year	-	-	-	5,761,556
Net assets, end of year	3,560	3,559	17,799	7,425,155

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART

Schedule 4

Combining Schedule of Activities, Permanently Restricted Net Assets
Year ended December 31, 2012

	Operating Endowment Principal	Boles (Art Purchase) Principal	George Frierson (Art Purchase) Principal	Robert Gordy (Art Purchase) Principal	Benjamin J. Harrod (Art Purchase) Principal	Carrie Heiderich (Art Purchase) Principal
Support and revenue:						
Support:						
Individual contributions	\$ -	-	-	-	-	-
Corporate support	-	-	-	-	-	-
Legacies	40,391	-	-	-	-	-
Foundations	250,000	-	-	-	-	-
Total support	290,391	-	-	-	-	-
Net assets released and/or transfers	-	-	-	-	-	-
Changes in net assets	290,391	-	-	-	-	-
Net assets, beginning of year	12,462,635	1,569,862	844,732	526,156	5,604	313,797
Net assets, end of year	\$ 12,753,026	1,569,862	844,732	526,156	5,604	313,797

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 4

Combining Schedule of Activities, Permanently Restricted Net Assets

Year ended December 31, 2012

	Augusta M. Jourdan (Art) Purchase) Principal	Mervin Morais (Art) Purchase) Principal	P.R. and Sunny Norman (Art) Purchase) Principal	F.B. Richardson African Art (Art) Purchase) Principal	Carmen Donaldson (Art) Purchase) Principal	Elise Besthoff (Art) Purchase) Principal
Support and revenue:						
Support:						
Individual contributions	-	-	-	-	-	-
Corporate support	-	-	-	-	-	-
Legacies	-	-	-	-	-	-
Foundations	-	-	-	-	-	-
Total support	-	-	-	-	-	-
Net assets released and/or transfers	-	-	-	-	-	-
Changes in net assets	-	-	-	-	-	-
Net assets, beginning of year	4,483	107,060	151,029	170,250	405,210	250,000
Net assets, end of year	4,483	107,060	151,029	170,250	405,210	250,000

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 4

Combining Schedule of Activities, Permanently Restricted Net Assets
Year ended December 31, 2012

	Tina Freeman (Art Purchase) Principal	Alvin Merlin Acquisition (Art Purchase) Principal	Joel Weinstock (Art Purchase) Principal	Chapman H. Hyams 1951 (Gallery Maintenance) Principal	Chapman H. Hyams 1952 (Gallery Maintenance) Principal
Support and revenue:					
Support:					
Individual contributions	\$ 1,000	-	-	-	-
Corporate support	-	-	-	-	-
Legacies	-	-	-	-	-
Foundations	-	-	-	-	-
Total support	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets released and/or transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net assets	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, beginning of year	<u>238,000</u>	<u>22,294</u>	<u>126,367</u>	<u>58,286</u>	<u>4,460</u>
Net assets, end of year	<u>\$ 239,000</u>	<u>22,294</u>	<u>126,367</u>	<u>58,286</u>	<u>4,460</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 4

Combining Schedule of Activities, Permanently Restricted Net Assets
Year ended December 31, 2012

	George F. Lapeyre (Gallery Maintenance) Principal	M.D. Van Horn (Education) Principal	Ella West Freeman Foundation (Directorship) Principal	RosaMary Foundation (Curatorship) Principal	Zemurray Foundation (Curatorship) Principal
Support and revenue:					
Support:					
Individual contributions	\$ -	-	-	-	-
Corporate support	-	-	-	-	-
Legacies	-	-	-	-	-
Foundations	-	-	-	-	-
Total support	-	-	-	-	-
Net assets released and/or transfers	-	-	-	-	-
Changes in net assets	-	-	-	-	-
Net assets, beginning of year	<u>56,036</u>	<u>141,695</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Net assets, end of year	<u>\$ <u>56,036</u></u>	<u><u>141,695</u></u>	<u><u>1,000,000</u></u>	<u><u>1,000,000</u></u>	<u><u>1,000,000</u></u>

See accompanying independent auditors' report. (Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 4

Combining Schedule of Activities, Permanently Restricted Net Assets
Year ended December 31, 2012

	Freeman Family Curatorial (Curatorship) Principal	Patrick F. Taylor (Scholar) Principal	Besthoff Endowment (Operating) Principal	Azby Endowment (Operating) Principal	Charlotte Mann & Joshua Mann Pallet Endowment (Operating) Principal
Support and revenue:					
Support:					
Individual contributions	\$ -	-	-	-	200,000
Corporate support	-	-	-	-	50,000
Legacies	-	-	-	-	-
Foundations	-	-	-	300,000	-
Total support	-	-	-	300,000	250,000
Net assets released and/or transfers	-	(500,000)	-	-	-
Changes in net assets	-	(500,000)	-	300,000	250,000
Net assets, beginning of year	<u>1,000,000</u>	<u>857,143</u>	<u>970,183</u>	-	-
Net assets, end of year	<u>\$ 1,000,000</u>	<u>\$ 357,143</u>	<u>\$ 970,183</u>	<u>\$ 300,000</u>	<u>250,000</u>

See accompanying independent auditors' report.

(Continued)

NEW ORLEANS MUSEUM OF ART

Schedule 4

Combining Schedule of Activities, Permanently Restricted Net Assets
Year ended December 31, 2012

	Taylor Education Endowment (Education) Principal	2012 Total
Support and revenue:		
Support:		
Individual contributions	\$ -	201,000
Corporate support	-	50,000
Legacies	-	40,391
Foundations	-	550,000
Total support	-	841,391
Net assets released and/or transfers	500,000	-
Changes in net assets	500,000	841,391
Net assets, beginning of year	-	23,285,282
Net assets, end of year	\$ 500,000	24,126,673

See accompanying independent auditors' report.