

Lyric Opera of Kansas City, Inc.
Statement of Financial Position
AUG FY 2010

	Aug 31, 2009	June 30, 2009
Current Assets		
Cash	\$ 1,442,780	\$ 1,590,001
Accounts Receivable	202,779	264,366
Promise to Give	152,285	225,485
Prepaid Production Expense	13,688	50,826
Other Prepaid Expenses	42,010	88,056
Total Current Assets	1,853,542	2,218,733
Property and Equipment		
Land, Buildings, Improvements and Computer Equipment	8,558,942	8,557,786
Less: Accumulated Depreciation	(3,565,071)	(3,526,369)
Net Property and Equipment	4,993,871	5,031,417
Non-current Assets		
Interest in Lyric Foundation	3,783,482	3,783,482
Interest in Trust	1,040,535	1,040,535
Total Non-current Assets	4,824,017	4,824,017
Total Assets	\$ 11,671,430	\$ 12,074,168
Current Liabilities		
Accounts Payable	\$ 204	\$ 580,126
Line of Credit	-	-
Payroll and Taxes	67,084	76,643
Deferred Income		
Proceeds from building sale	2,196,630	2,196,630
09/10 Season Ticket Sales	597,398	475,259
Other	90,892	106,243
Total Current Liabilities	2,952,209	3,434,901
Net Assets		
Current Year Change		
Unrestricted	2,420,947	1,770,535
Board Restricted:		
Operating Reserve	784,200	784,200
Building Fund	-	392,661
Temporarily Restricted	672,552	850,349
Permanently Restricted	4,841,522	4,841,522
	8,719,221	8,639,267
Total Liabilities and Net Assets	\$ 11,671,430	\$ 12,074,168

See the accompanying notes to financial statements.

Lyric Opera of Kansas City, Inc.
Statement of Activities
For the Month Ended AUG FY 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Year to Date Total</u>	<u>Year to Date Budgeted Amount</u>	<u>Year to Date Over/(Under) Budget Variance</u>	<u>FY 2010 Annual Budget</u>	<u>Year End Projection at 8/31/09</u>
Revenue								
Earned Revenue								
Season Tickets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 638,177	\$ 638,177
Single Tickets	14	-	-	14	-	14	373,791	373,791
Ticket Facility Fees	3,192	-	-	3,192	-	3,192	-	16,000
Theatre Rental Income	5,303	-	-	5,303	5,000	303	344,750	344,750
Set Rental Income	4,060	-	-	4,060	4,000	60	48,000	48,000
Education	15,231	-	-	15,231	21,000	(5,769)	53,870	62,870
Interest	262	-	-	262	3,333	(3,072)	20,000	10,000
Service Fees	-	-	-	-	-	-	22,914	22,914
Auxiliaries	60	-	-	60	-	60	-	-
Miscellaneous	77	-	-	77	400	(323)	5,050	5,050
Subtotal - Earned Income	28,199	-	-	28,199	33,733	(5,534)	1,506,552	1,521,552
Contributed Revenue								
Individual	\$ 28,131	\$ -	\$ -	\$ 28,131	20,500	7,631	762,350	762,350
Corporate	500	-	-	500	2,500	(2,000)	188,750	188,750
Foundation	591,698	22,000	-	613,698	638,500	(24,802)	1,493,600	1,493,600
Federal, State and Local	-	-	-	-	-	-	120,000	142,000
Lyric & Leather	-	-	-	-	-	-	20,000	-
In-Kind Contributions	2,756	-	-	2,756	-	2,756	-	-
Auxiliaries	35	-	-	35	-	35	45,000	45,000
Lyric Opera Ball	-	-	-	-	-	-	585,000	585,000
Lyric Opera Foundation	-	-	-	-	-	-	78,927	78,927
Net Assets Released from Restrictions	200,297	(200,297)	-	-	-	-	-	-
Subtotal - Contributed Revenue	823,417	(178,297)	-	645,120	661,500	(16,380)	3,293,627	3,295,627
Total Revenue	\$ 851,616	\$ (178,297)	\$ -	\$ 673,319	695,233	(21,914)	4,800,179	4,817,179
Expenses								
Finance and Administration	\$ 107,602	\$ -	\$ -	\$ 107,602	\$ 111,910	\$ (4,308)	\$ 673,152	\$ 673,993
Development	49,477	-	-	49,477	49,319	159	374,371	357,747
Auxiliaries	254	-	-	254	-	254	160,000	160,000
Marketing	123,374	-	-	123,374	120,409	2,965	542,252	540,456
Ticket Office	30,095	-	-	30,095	30,675	(581)	182,157	181,294
Theatre and Building	61,371	-	-	61,371	67,186	(5,816)	568,513	568,081
Education	39,330	-	-	39,330	39,601	(271)	168,415	176,983
Production - General	62,816	-	-	62,816	60,643	2,173	342,282	345,274
Tosca	61,830	-	-	61,830	94,301	(32,471)	471,506	458,330
H.M.S. Pinafore	5,601	-	-	5,601	10,544	(4,943)	421,754	394,113
Rigoletto	4,965	-	-	4,965	12,209	(7,244)	488,360	480,003
Don Giovanni	8,447	-	-	8,447	10,185	(1,738)	407,410	401,444
Total Expenses	\$ 555,162	\$ -	\$ -	\$ 555,162	606,983	(51,821)	4,800,171	4,737,720
Operating Gain/(Loss)	296,454	(178,297)	-	118,157	88,250	-	8	79,459
Depreciation Expense	(38,702)	-	-	(38,702)	-	-	-	-
Capital Campaign Income	-	500	-	500	-	-	-	-
Lyric Opera Endowment	-	-	-	-	-	-	-	-
Change in Net Assets	257,751	(177,797)	-	79,954				
Net Assets - Beginning of Year	2,947,396	850,349	4,841,522	8,639,267				
Net Assets - AUG 2010	\$ 3,205,147	\$ 672,552	\$ 4,841,522	\$ 8,719,221				

See the accompanying notes to financial statements.

Lyric Opera of Kansas City, Inc.
Statement of Cash Flows
For the Month Ended AUG FY 2010

	Aug 31, 2009	June 30, 2009
Cash Flows From Operating Activities		
Change in Net Assets	79,954	(1,742,452)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	38,702	238,731
Decrease in interest in net assets of Lyric Foundation	-	1,263,783
Decrease in value of beneficial interest in perpetual trust	-	399,694
Change in assets and liabilities:		
Decrease in accounts and promises to give receivables	134,787	(187,339)
Decrease in prepaid expenses and other assets	83,183	21,442
Loss on disposal of assets		1,866
Increase (decrease) in accounts payable and accrued expenses	(589,480)	492,538
Increase in deferred income	106,789	118,196
Net Cash Provided By Operating Activities	(146,065)	877,220
Cash Flows From Investing Activities		
Purchase of property and equipment	(1,156)	(637,115)
Net Cash Used in Investing Activities	(1,156)	(144,216)
Net Increase (Decrease) In Cash and Cash Equivalents	(147,221)	733,004
Cash And Cash Equivalents - Beginning of Year	1,590,001	1,620,654
Cash And Cash Equivalents - AUG 2010	1,442,780	1,590,001

See the accompanying notes to financial statements.

Lyric Opera of Kansas City, Inc.
Notes to the Financial Statements
Year To Date AUG FY 2010

Statement of Financial Position

Assets

Cash - The following is a breakout of our cash restrictions:

	June	Aug	Increase/(Decrease)
Available Operating Cash	\$ 616,593	\$ 836,517	\$ 219,924
Restricted Auxiliary Cash	131,964	131,964	-
Restricted Building Cash	841,444	474,299	(367,145)
	<u>\$1,590,001</u>	<u>\$1,442,780</u>	<u>\$ (147,221)</u>

Promises to Give - The 2008 Circle's Lyric Opera Ball gave the Anniversary Angels the option of paying their gifts over time. We have 4 individuals whose outstanding pledges total \$66,000. Additionally the capital campaign has received pledges which extend over the next five years and total \$86,285.

Property and Equipment - The Lyric Theatre is still shown on our Property and Equipment ledger. Please see the note on Proceeds on Building Sale for additional information.

Liabilities

Proceeds on Building Sale - There is a provision in the sales contract of the Lyric Theatre to DST, that allows the Lyric to repurchase the building at the sales price, if the Kauffman Performing Arts Center (PAC) is not completed. Per accounting rules, this clause means that the transaction has not been completed, therefore we must show the sale's proceeds as a deferred liability and we must maintain the Lyric Theatre in our Property and Equipment detail, until we move out of the theater and the PAC is open. Once the PAC opens, the repurchase clause in the sales contract closes and we will recognize the income as well as write-off the Lyric Theatre from Property and Equipment.

Deferred Revenue

09/10 Season Ticket Sales - These are the subscription and single ticket sales for the current fiscal year. These accounts will hold the revenue until the respective show is complete, at that time we move the funds from the deferred revenue accounts and recognize the income on the statement of activities. The company has achieved 88% of its subscription revenue goal and 20% of its single ticket goal for *Tosca*.

Statement of Activities

Earned Revenue

Theatre Rental Income - Currently the only rental income is from a small dance studio. The Symphony and Ballet have not begun their seasons so our income amount is low. As of Aug. 31, the rental contracts for the usage of the theatre had not been signed, but the framework of an agreement has been agreed to. Once the contracts are signed the projected theatre rental income amount will be recalculated and an adjustment made if necessary.

Contributed Revenue

The Company has received significant contributions from two donors thus far, combined they total \$575,000, which is 89% of the total unrestricted contributed revenue so far this year.

Expenses

The company is two months or 16.6% of the way through the fiscal year. At this point the company is operating with in it's projections. Currently the Marketing and Education departments have utilized 23% and 22% of their budgets respectively. It was our expectation that these two department would utilize more of their budgets earlier in the fiscal year because of marketing's season ticket renewal and education's children's opera camp.

Lyric Opera of Kansas City, Inc.
Notes to the Financial Statements
Year To Date AUG 2010

Lyric Theatre - Of the \$61,371 of Theatre and Building Expenses, \$42,716 directly relate to the operations and renting of the Lyric Theatre.

Lyric Theatre Rental Expenses	\$	51,211
Lyric Theatre Rental Income		(5,303)
Facility Fee		<u>(3,192)</u>
Unfunded building costs	\$	42,716

Year End Projection

The company regularly reviews its budgets and updates the year end projection on a monthly basis as new information or events allow. We have learned that the Symphony agreement for year will not include a rate increase and possibly even a rate reduction. We have updated the Show budgets removing the originally budgeted increase for orchestra services. The company has also officially postponed the Lyrics in Leather fundraising event, the income and expenses associated with this have been removed from the budget. We have also been notified by the Missouri Arts Council that we are to receive an increase to our annual grant of about \$37,000.