

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

	Jan 31, 2010	June 30, 2009
Current Assets		
Cash	\$ 509,641	\$ 1,590,001
Accounts Receivable	152,403	264,366
Promise to Give	224,421	225,485
Prepaid Production Expense	16,751	50,826
Other Prepaid Expenses	32,544	88,056
Total Current Assets	935,760	2,218,733
Property and Equipment		
Land, Buildings, Improvements and Computer Equipment	9,043,499	8,557,786
Less: Accumulated Depreciation	(3,702,473)	(3,526,369)
Net Property and Equipment	5,341,026	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	\$ 11,100,803	\$ 12,074,168
Current Liabilities		
Accounts Payable	\$ 44,705	\$ 580,126
Line of Credit	-	-
Payroll and Taxes	74,277	76,643
Deferred Income		
Proceeds from building sale	2,196,630	2,196,630
09/10 Season Ticket Sales	336,380	475,259
Other	87,757	106,243
Total Current Liabilities	2,739,749	3,434,901
Net Assets		
Current Year Change		
Unrestricted	2,467,740	1,770,535
Board Restricted:		
Operating Reserve	784,200	784,200
Building Fund	-	392,661
Temporarily Restricted	267,592	850,349
Permanently Restricted	4,841,522	4,841,522
	8,361,054	8,639,267
Total Liabilities and Net Assets	\$ 11,100,803	\$ 12,074,168

See the accompanying notes to financial statements.

Lyric Opera of Kansas City, Inc.
Statement of Activities
For the Month Ended JAN 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 1/31/10</u>
Revenue								
Earned Revenue								
Season Tickets	\$ 297,408	\$ -	\$ -	\$ 297,408	\$ 319,089	\$ (21,681)	\$ 638,177	\$ 601,654
Single Tickets	175,427	-	-	175,427	197,153	(21,726)	373,791	351,887
Ticket Facility Fees	10,282	-	-	10,282	-	10,282	-	20,000
Theatre Rental Income	78,611	-	-	78,611	43,821	34,790	344,750	365,243
Set Rental Income	23,575	-	-	23,575	30,000	(6,425)	48,000	58,000
Education	29,507	-	-	29,507	27,795	1,712	53,870	53,189
Interest	288	-	-	288	10,000	(9,712)	20,000	1,000
Service Fees	-	-	-	-	-	-	22,914	24,250
Auxiliaries	-	-	-	-	-	-	-	-
Miscellaneous	6,741	-	-	6,741	1,200	5,541	5,050	5,050
Subtotal - Earned Income	621,839	-	-	621,839	629,058	(7,218)	1,506,552	1,480,273
Contributed Revenue								
Individual	\$ 285,795	\$ 25,600	\$ -	\$ 311,395	175,500	135,895	762,350	509,573
Corporate	87,711	-	-	87,711	98,100	(10,389)	188,750	123,111
Foundation	1,084,396	24,500	-	1,108,896	991,167	117,729	1,493,600	1,465,600
Federal, State and Local	30,735	-	-	30,735	91,500	(60,765)	120,000	150,943
Lyric & Leather	-	-	-	-	20,000	(20,000)	20,000	-
In-Kind Contributions	38,032	-	-	38,032	-	38,032	-	-
Auxiliaries	30,265	-	-	30,265	22,500	7,765	45,000	45,000
Lyric Opera Ball	(2,408)	-	-	(2,408)	-	(2,408)	585,000	585,000
Lyric Opera Foundation	100,000	-	-	100,000	78,927	21,073	78,927	178,927
Net Assets Released from Restrictions	683,857	(683,857)	-	-	-	-	-	-
Subtotal - Contributed Revenue	2,338,383	(633,757)	-	1,704,626	1,477,694	226,932	3,293,627	3,058,154
Total Revenue	\$ 2,960,222	\$ (633,757)	\$ -	\$ 2,326,466	2,106,752	219,714	4,800,179	4,538,427
Expenses								
Finance and Administration	\$ 409,506	\$ -	\$ -	\$ 409,506	\$ 346,830	\$ 62,676	\$ 673,152	\$ 664,743
Development	208,522	-	-	208,522	195,589	12,933	374,371	353,397
Auxiliaries	1,360	-	-	1,360	-	1,360	160,000	160,000
Marketing	381,564	-	-	381,564	344,896	36,669	542,252	544,415
Ticket Office	104,806	-	-	104,806	91,649	13,157	182,157	189,879
Theatre and Building	371,427	-	-	371,427	331,794	39,633	568,513	556,981
Education	97,476	-	-	97,476	80,619	16,857	168,415	179,483
Production - General	197,975	-	-	197,975	177,617	20,357	342,282	345,409
Tosca	424,405	-	-	424,405	471,430	(47,025)	471,506	425,511
H.M.S. Pinafore	266,929	-	-	266,929	354,762	(87,833)	421,754	330,479
Rigoletto	10,772	-	-	10,772	39,433	(28,661)	488,360	476,356
Don Giovanni	4,831	-	-	4,831	7,624	(2,793)	407,410	394,315
Total Expenses	\$ 2,479,574	\$ -	\$ -	\$ 2,479,574	2,442,243	37,331	4,800,171	4,620,969
Operating Gain/(Loss)	480,648	(633,757)	-	(153,109)	(335,491)	8	8	(82,542)
Depreciation Expense	(176,104)	-	-	(176,104)				
Capital Campaign Income	-	51,000	-	51,000				
Lyric Opera Endowment	-	-	-	-				
Change in Net Assets	304,544	(582,757)	-	(278,213)				
Net Assets - Beginning of Year	2,947,396	850,349	4,841,522	8,639,267				
Net Assets - JAN 2010	\$ 3,251,940	\$ 267,592	\$ 4,841,522	\$ 8,361,054				

See the accompanying notes to financial statements.

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

	Jan 31, 2010	June 30, 2009
Cash Flows From Operating Activities		
Change in Net Assets	(278,213)	(1,742,454)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	176,105	238,731
Decrease in interest in net assets of Lyric Foundation	-	1,263,783
Decrease in value of beneficial interest in perpetual trust	-	399,695
Change in assets and liabilities:		
Decrease in accounts and promises to give receivables	113,027	(187,339)
Decrease in prepaid expenses and other assets	89,587	21,446
Increase (decrease) in accounts payable and accrued expenses	(537,787)	(35,541)
Increase in deferred income	(157,364)	112,596
Net Cash Provided By Operating Activities	(594,645)	70,917
Cash Flows From Investing Activities		
Purchase of property and equipment	(485,713)	(101,572)
Proceeds from deferred sale of property	-	-
Net Cash Used in Investing Activities	(485,713)	(101,572)
Net Increase (Decrease) In Cash and Cash Equivalents	(1,080,358)	(30,655)
Cash And Cash Equivalents - Beginning of Year	1,589,999	1,620,654
Cash And Cash Equivalents - JAN 2010	509,641	1,589,999

See the accompanying notes to financial statements.

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

Statement of Financial Position

Assets

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

	June	December	Increase/(Decrease)
Available Operating Cash	\$ 616,593	\$ 379,392	\$ (237,201)
Restricted Auxiliary Cash	131,964	130,249	(1,715)
Restricted Building Cash	841,444	-	(841,444)
	<u>\$ 1,590,001</u>	<u>\$ 509,641</u>	<u>\$ (1,080,360)</u>

Based on our projected cash needs the available operating cash would last the company less than 30 days assuming no other income were to be received. The company's budget annualization shows that between projected income, expenses and the available operating cash, the company may be required to utilize its line of credit by April 2010.

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 \$56,000. Additionally the capital campaign has received pledges which extend over the next five years and total \$89,735. The company also has a pledge from the Hallmark Corporation in the amount of \$79,186 which is expected to be paid in February 2010.

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 recognize the income by moving the funds from the deferred revenue account to the respective season or single ticket income line. The company has achieved 94% of its subscription revenue goal and 89% of its single ticket goal for both *Tosca* and *H.M.S. Pinafore*.

Statement of Activities

Earned Revenue

Theatre Rental Income - The theatre licensing agreements for both the Symphony and the Ballet are signed. The projection was made using the contracts, year end expense projections, and a projection for development's theatre rental assistance. The projection can change based upon the actual proceeds from the joint theatre rent campaign and actual expenses. The year end projection will continue to be updated based upon the success of this campaign.

Contributed Revenue

The company has two donors who individually have contributed more than 10% of the company's total contributed income. Combined these two donors have contributed 54% of the companies total contributed income.

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

Expenses

The company is seven months or 59% of the way through the fiscal year. At this point the company is operating below its expense budget. Currently the company's year end expense projections show that there will be a \$180,000 savings from what was originally budgeted. The company has used 54% of the year end projected budget or 52% of the original budget.

Lyric Theatre - Of the \$330,208 of Theatre and Building Expenses, \$277,456 directly relate to the operations and renting of the Lyric Theatre.

Lyric Theatre Rental Expenses	\$	311,920
Lyric Theatre Rental Income		(78,611)
Facility Fee		(10,282)
Unfunded building costs	\$	<u>223,027</u>

The combined development project to help fund the unfunded portion of the building costs has a \$185,000 commitment from the William T. Kemper Foundation. In order to receive the grant we must match the first \$100,000. Currently the development departments have raised \$66,000 toward this goal. Most of the funds when raised will go toward paying off last year's unfunded rent for the three organizations.

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. The company has learned of \$180,000 of expense savings and increases to some income lines. The projected deficit has gone from about \$300,000 down to about \$82,000. The company is aware of another \$88,000 of possible increases to income that have not been pledged yet, but may come in this spring. As these gifts are solidified the company will add them to the year end projection. The company is monitoring both the revenue and expense situation and is making concessions to help improve the bottom line where ever possible. The development department and committee are working on ways to bridge this gap. The goal is to balance the budget by year end.