

TO:	CHAIR AND MEMBERS FINANCE AND ADMINISTRATION COMMITTEE MEETING ON NOVEMBER 16, 2011
FROM:	MIKE TURNER DEPUTY CITY TREASURER
SUBJECT:	ORCHESTRA LONDON 2010-2011 FINANCIAL RESULTS

RECOMMENDATION

That on the recommendation of the Deputy City Treasurer, this report **BE RECEIVED** for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

- Board of Control Report, October 21, 2009, September Cash Flow Analysis for Orchestra London
- Board of Control Report, November 10, 2010, Orchestra London 2009-2010 Financial Results

BACKGROUND

In January 2011, Council provided Orchestra London with a grant of \$482,688 in lieu of the Community Arts Investment Program, Category #1 funding. This grant is sent monthly to the Orchestra after the cash flow analysis is reviewed by the Deputy City Treasurer to assess performance. The purpose of this report is to provide the Finance and Administration Committee and Council with an update on the Orchestra's financial performance for the 2010-2011 season.

For the second consecutive year, the Orchestra achieved a profit. In the 2010-2011 season, the Orchestra achieved a profit of \$67,784, which was an improvement over the 2009-2010 season which had a profit of \$59,266. This reduced the fiscal year end accumulated deficit to \$986,838. At the end of the fiscal year, the bank indebtedness was down to \$202,295, a reduction of \$23,194. The Financial Statements were presented at the annual general meeting on November 9, 2011. The Orchestra's business plan continues to strive for reducing the accumulated deficit and moving towards relieving the City of the guarantee on the line of credit.

With the recent development regarding the Jeans N'Classics artists, the Orchestra has made plans to continue the Red Hot Weekend series with different artists. The Orchestra does not anticipate any loss of earnings due to the changes as the subscription renewal rate remains stable.

A report will be made in January to the Investment and Economic Prosperity Committee, updating the current financial status of the Orchestra along with a request for a continuation of the grant to the Orchestra to offset the loss of the CAIP funding that the Orchestra will not be eligible for in 2012.

RECOMMENDED BY:

**MIKE TURNER
DEPUTY CITY TREASURER**