

The Orchestral Society of Illinois
(d/b/a The Chicago Philharmonic)

**Financial Statements and
Independent Accountants' Compilation Report**

September 30, 2010

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
The Orchestral Society of Illinois
(d/b/a The Chicago Philharmonic)
Evanston, Illinois

We have compiled the accompanying statement of financial position of The Orchestral Society of Illinois (d/b/a The Chicago Philharmonic) as of September 30, 2010, and the related statements of activities and cash flows for the year then ended and the supplemental information on pages 8 and 9. We have not audited or reviewed the accompanying financial statements and supplemental information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
May 6, 2011

FINANCIAL STATEMENTS

The Orchestral Society of Illinois
(d/b/a The Chicago Philharmonic)
STATEMENT OF FINANCIAL POSITION
September 30, 2010
(See Independent Accountants' Compilation Report)

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	\$ 30,815
Accounts receivable	2,256
Other	<u>1,925</u>
Total current assets	<u>34,996</u>
NONCURRENT ASSETS	
Furniture and fixtures	5,250
Less accumulated depreciation	<u>5,250</u>
	<u>-</u>
	\$ <u><u>34,996</u></u>

LIABILITIES AND NET DEFICIT

CURRENT LIABILITIES	
Accounts payable	\$ 9,968
Advances from directors	6,000
Unearned revenues - subscriptions	<u>47,402</u>
Total current liabilities	63,370
NET DEFICIT	
Unrestricted	<u>(28,374)</u>
	\$ <u><u>34,996</u></u>

The Orchestral Society of Illinois
(d/b/a The Chicago Philharmonic)
STATEMENT OF ACTIVITIES
Year ended September 30, 2010
(See Independent Accountants' Compilation Report)

Revenue and support from operations	
Contracted services	\$ 112,651
Admissions and subscription income	55,580
Miscellaneous income	<u>4,433</u>
Total earned income	172,664
Contributions from individuals, corporations, foundations, government grants, and other	
In-kind	9,399
Other	<u>164,851</u>
	<u>346,914</u>
Expenses	
Program services	
Artistic expenses	230,749
Production costs	29,701
Supporting services	
Marketing	48,248
General and administrative expenses	49,235
Fundraising expenses	<u>2,500</u>
	<u>360,433</u>
CHANGE IN NET DEFICIT	(13,519)
Net deficit at beginning of year	<u>(14,855)</u>
Net deficit at end of year	\$ <u><u>(28,374)</u></u>

The Orchestral Society of Illinois
(d/b/a The Chicago Philharmonic)
STATEMENT OF CASH FLOWS
Years ended September 30, 2010
(See Independent Accountants' Compilation Report)

Cash flows from operating activities	
Cash received from performances, admissions, and subscriptions	\$ 186,201
Cash contributed by individuals, foundations, and others	160,851
Cash paid to suppliers and performers	<u>(338,906)</u>
Net cash provided by operating activities	<u>8,146</u>
INCREASE IN CASH AND CASH EQUIVALENTS	8,146
Cash and cash equivalents at beginning of year	<u>22,669</u>
Cash and cash equivalents at end of year	<u><u>\$ 30,815</u></u>
Reconciliation of change in net deficit to net cash provided by operating activities	
Change in net deficit	\$ (13,519)
Adjustments to reconcile change in net deficit to net cash provided by operating activities	
(Increase) decrease in current assets	
Accounts receivable	(1,586)
Other	2,160
Increase (decrease) in current liabilities	
Accounts payable	9,968
Advances from directors	(4,000)
Unearned revenues - subscriptions	<u>15,123</u>
Net cash provided by operating activities	<u><u>\$ 8,146</u></u>

SUPPLEMENTAL INFORMATION

The Orchestral Society of Illinois
(d/b/a The Chicago Philharmonic)
SCHEDULE OF EXPENSES
Year ended September 30, 2010
(See Independent Accountants' Compilation Report)

Program services	
Artistic expenses	
Musicians' salaries	\$ 116,000
Employer FICA contribution	22,210
Pension contribution	33,759
Union dues	9,068
Contractor's fees	9,399
Guest artists' fees	25,798
Conductor's expenses	13,805
Other	710
	<hr/>
	230,749
Production costs	
Music and instrument rental	3,574
Hall rental	19,413
Program books	2,153
Stage manager fees	550
Personnel manager	2,129
Program and ticket printing	381
Other production costs	1,501
	<hr/>
	29,701
Supporting services	
Marketing	
Brochure	8,569
Marketing consultants	20,962
Advertising	18,717
	<hr/>
	48,248

The Orchestral Society of Illinois
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SCHEDULE OF EXPENSES (Continued)
Year ended September 30, 2010
(See Independent Accountants' Compilation Report)

General and administrative expenses	
Rent	\$ 7,036
Office manager	14,821
Office supplies	3,399
Entertainment	876
Telephone	2,521
Credit card fees	1,731
Postage	6,974
Insurance	4,890
Accounting fees	5,130
Memberships	250
Bank fees	287
Payroll administration	105
Other administration expense	1,215
	<hr/> 49,235
Fundraising expenses	
Development expenses	1,712
Development consultants	788
	<hr/> 2,500
	<hr/> \$ 360,433