

destination:
culture
CULTURE



ONTARIO CULTURAL ATTRACTIONS FUND 1999-2002

DESTINATION: CULTURE



ONTARIO CULTURAL ATTRACTIONS FUND

"All too often we, in the not-for-profit sector, find ourselves looking through the showcase window at the wonderful work that we would love to present but can't afford. All of a sudden, the OCAF offers you the investment capital you need to turn your event on its ear and nothing is ever the same again. With OCAF support, we were able to present landmark artists like the Lincoln Centre Jazz Orchestra, the Buena Vista Social Club, and the legendary Tony Bennett. People still stop me on the street and say that the Lincoln Centre concert changed their lives!"

Catherine O'Grady,
Executive Director
Ottawa International Jazz Festival



Cover:

20th Anniversary Celebrations, Sioux Lookout Blueberry Festival
Stratford Summer Music 2001, Stratford Arts Foundation
Egyptian Art in the Age of the Pyramids, Royal Ontario Museum
Dinosaurs 2000, Science North

Inside cover: *Doors Open Ontario, Ontario Heritage Foundation*

Back cover: *Timescape, Ontario Science Centre*

OCAF AT A GLANCE...

- Isabel Bassett (then provincial Minister of Citizenship, Culture & Recreation) established the Ontario Cultural Attractions Fund (OCAF) in 1999 as a \$20 million initiative to assist Ontario's cultural and heritage organizations to capitalize on the potential of exciting and innovative exhibitions and events.
- OCAF assists cultural organizations in Ontario to increase and diversify their earned revenue sources by attracting visitors to new attractions and special events.
- OCAF helps reduce the financial risk of creating new ventures by providing up-front working capital in the form of partially-repayable loans. OCAF investment is directed towards the marketing and promotional costs of the special event or new attraction.
- OCAF requires successful clients to partially repay the funds allocated to them. Repayments are used to fund future clients.
- Since 1999, the Fund has committed \$11.4 million to 61 projects across Ontario.
- The 49 events that have taken place to date have attracted nearly 2.5 million visitors and received revenues of almost \$35 million.
- Organizations supported by OCAF have seen their attendance grow by over 40% on average compared to their previous year's performance.
- The Fund is open to large and small not-for-profit cultural and heritage organizations in all parts of Ontario. In fact, OCAF has supported events in all regions of Ontario, including two events that were province-wide.
- Of the 61 projects funded to date, 17 have taken place in Northern Ontario.
- Events have taken place in communities as diverse as Windsor, Ottawa, Toronto, Chapleau, Sioux Lookout, and Thunder Bay.
- 38 funded events have had revenues under \$100,000.
- The Fund is expected to last until 2009, issuing funds roughly double the original \$20 million allocation.
- These results demonstrate how many exciting cultural events and attractions are taking place in Ontario. OCAF is proud to be a part of their success.

HIGHLIGHTS

- \$11.4 million committed to 61 projects
- \$5.5 million paid out by end of fiscal 2001/02
- Assets of \$16.4 million at end of fiscal 2001/02
- Administration expenses averaging less than \$220,000 per year
- Significant return from investment portfolio
- Longevity of Fund extended
- Fund expected to issue roughly \$40 million over its lifespan – double the Province's initial investment





OCAF BOARD OF DIRECTORS

OCAF's active and committed Board members protect the public interest by participating in funding decisions and by providing guidance on policy matters.

CURRENT AND PAST BOARD MEMBERS INCLUDE:

Dr. Murray Frum, C.M., Chair *
Joan Chalmers, C.C., O. Ont.
Julia Foster *
Allan Gotlieb, C.C.*
Paul Hoffert *
The Hon. Henry N.R. Jackman, O.C., O. Ont.
Victoria Jackman *
Michael M. Koerner, C.M.*
John B. Lawson, Q.C.*
John D. McKellar, C.M., Q.C.*
William Somerville
Brian J. Steck *
Nalini Stewart, O. Ont.*
Joey Tanenbaum

*current**

CANADA JAZZ 2000

OTTAWA INTERNATIONAL JAZZ FESTIVAL



As the Board Chair of the Ontario Cultural Attractions Fund (OCAF) since the creation of the program, I have been witness to the many exciting cultural attractions and events across Ontario that we have been able to support. This is definitely a new and innovative approach to investing in the cultural sector of Ontario!

By allowing cultural organizations to take calculated risks on new events and programs, OCAF supports the growth of cultural producers and presenters in Ontario. OCAF's investment in cultural growth and cultural tourism has made a large contribution to the quality of life of Ontarians and has helped generate economic benefits produced by cultural tourism.

The OCAF program is simple and effective. It's a unique program that works with the cultural sector to generate tourism-based income for businesses and tax revenue for the provincial treasury.

We have definitely exceeded our initial expectations of the program by every measure available to us, including the number of visitors to events supported by OCAF, the number and diversity of projects supported and the replenishment of the Fund for future support.

The program's success must be credited to the quality of proposals we receive from the cultural sector, the active involvement of my Board colleagues, and the performance of our staff. Together we will build on our early success to make this program even more productive in the years to come.

Sincerely,



Dr. Murray Frum, C.M., Chair



Colour Comes Alive, Royal Botanical Gardens



TIMESCAPE

ONTARIO SCIENCE CENTRE

"The OCAF grant gave us the needed support to ensure a solid administration and a well-aimed marketing plan. The results speak for themselves: an organizational and financial success that surpassed all expectations for the Festival's first year.

Thanks to OCAF, *Chapleau* was able to better prepare itself, and was in a position to ensure proper dissemination about the Festival throughout Northern Ontario. Many people commented on the fact that no matter where you went in the region last summer, most every community knew about or had heard of the *Chapleau Nature Festival de la Nature*.

Also we have learned that success is possible through extensive planning and outlining of realistic goals. OCAF's application formula allows the organization to start its planning on a more solid foundation through the program guidelines and evaluation process. We found the exercise beneficial and useful in our quest toward building a winning formula for our community."

Denis Rochon
Project Manager
Centre Culturel Louis-Hemon

Message from the Director

OCAF's success is based entirely on our clients' success. Their ability to create new events and attract new audiences is critical to the cultural and economic benefits that the Fund produces. OCAF is proud to be part of this success.

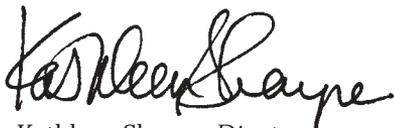
OCAF continues to look for ways to do our work better. In simple terms, this means keeping our operation lean, maximizing funding to our clients and helping them to make the most of the resources that we provide.

Since establishing operations in 1999, we have achieved an efficient organization and have realized the program's near term objectives. We continue to extend our communications and outreach activities. Internally we are improving our systems and reporting, to make it easier to reach informed, timely and accountable decisions. Our marketing and technical assistance activities include a new marketing tool to help clients make the most of the dollars available to them.

To ensure that the program continues to meet the needs of the cultural community, OCAF has undertaken extensive consultations around the province to reflect on the program and to move forward. Our plan for the next few years is to attract more and better applications, work with our clients to improve their likelihood of success and further refine our selection process.

Thanks to the hard work and dedication of our clients, the results of our funding so far have surpassed expectations. We believe that, even in challenging times for tourism, OCAF's clients – and the OCAF program itself – will continue to succeed.

Sincerely,



Kathleen Sharpe, *Director*



The Paradise Institute, Power Plant

OCAF STAFF

Kathleen Sharpe
Director

Irene Bauer
Fund Development Officer
(part-time)

Tammy Moore
Administrative Assistant
(part-time)

"The Gardiner Museum was able to dramatically increase its admission revenue by presenting *Miró: Playing With Fire* and supporting this landmark exhibition with a well-resourced and targeted communications plan.

The financial risk associated with originating the first public exhibition of the ceramic art created by 20th century master Joan Miró was reduced by OCAF's upfront contribution, facilitating the promotion of this unique exhibition to national and international audiences.

OCAF's support helped make it possible for the Gardiner Museum to attract an 11.5% increase in museum visitors, increase its admission fees and generate a 142% increase in admission revenue during *Miró: Playing With Fire.*"

Alexandra Montgomery
Chief Executive Officer
Gardiner Museum of Ceramic Art

"*The Treasures from a Lost Civilization and Egyptian Art in the Age of the Pyramids* exhibits could not have happened without the support of OCAF. We needed to demonstrate a strong marketing plan in order to attract major corporate sponsors, which meant we needed financial support to augment our own meager resources. We also needed the net grant after payback from OCAF to make the exhibits financially viable at the ROM.

The OCAF program allows organizations like the ROM to take risks that it otherwise could not responsibly take. It makes major international exhibitions possible for the ROM and thus possible for the people of Ontario."

Meg Beckel
Chief Operating Officer
Royal Ontario Museum

EGYPTIAN ART IN THE AGE OF THE PYRAMIDS

ROYAL ONTARIO MUSEUM

Fund Highlights

SUPPORTING CULTURAL ORGANIZATIONS
AND CULTURAL TOURISM IN ONTARIO

By supporting events that have attracted nearly 2.5 million visitors, OCAF is contributing significantly to cultural tourism in Ontario and the health and well-being of Ontario's cultural organizations.

Projects approved for OCAF funding must have a marketing plan that targets new visitors to their communities. Visitors who include cultural attractions in their Ontario travel plans represent significant economic value for communities across the province. Cultural tourists tend to stay longer and, consequently, spend more money in Ontario. A recent provincial tourism study showed that, in 1999, over 6.5 million overnight visitors participated in cultural activities and spent \$2.8 billion in Ontario. On average, overnight cultural visitors spent 80% more during their visits than other overnight visitors (\$433 per person vs. \$239 per person).*

For tourism-related companies, this means business. For cultural organizations, this means diversification of audiences and increased impact in their communities.

In order to help our clients attract even more visitors, OCAF has designed a self-help marketing resource workbook, *Plan to Succeed*, which guides cultural organizations through the steps involved in researching and planning a successful event. The workbook is designed to help cultural organizations increase their effectiveness in reaching potential audiences. The workbook can be a valuable resource for any cultural organization, not just OCAF clients. In addition to the workbook, OCAF staff has provided consultation and other support as requested by clients.



Miro: *Playing with Fire*,
Gardiner Museum of Ceramic Art

"OCAF has been a tremendous assisting partner in helping us put down our roots in the visual arts community. With the OCAF assistance we have grown to over 37,000 visitors and an economic impact in the Waterloo region of in excess of \$1.9 million."

Brent Dysart
Planning and Logistics
Waterloo County and Area Quilt Festival

*source: *The Tourism Monographs No. 25, August 2001*, Ministry of Tourism, Culture and Recreation

OCAF PROJECTS

APPROVED BY FISCAL YEAR

1999 – 2000

Gardiner Museum of Ceramic Art

Miro: Playing with Fire, \$100,000

Ontario Science Centre

Timescape, \$597,300

Royal Ontario Museum

Egyptian Art in the Age of the Pyramids,
\$1,000,000

Science North

Dinosaurs 2000, \$350,000

Toronto International Film Festival Group

25th Anniversary Programme, \$324,900

Waterloo County and Area Quilt Festival

Quilt Festival 2000, \$40,000

2000 – 2001

Agnes Etherington Art Centre

Museopathy, \$40,000

Algonquin Academy of Wilderness & Wildlife

Algonquin Academy Woodcarving & Art,
\$10,000

Blyth Centre for the Arts (Blyth Festival)

The Outdoor Donnellys, \$45,000

Canadian Stage Company

Brad Fraser's Outrageous, \$175,000

Centre régional de Loisirs culturels Inc.

Saint-Jean-Baptiste Festival, \$20,000

Cinefest Sudbury

Tribute Canadiana, \$37,705

Clarington Concert Band

The Great Canadian Town Band Festival,
\$35,000

Le club de la Bonne Humeur d'Opasatika

Festival culturel et folklorique des pionniers,
\$12,000

Founders Museum and Pioneer Village

Pioneer Days, Thunder Bay, \$20,000

Gallery Stratford

A Stage for Dionysos, \$80,000

Harbourfront Centre

World Leaders (Festival of Creative Genius),
\$250,000

Lambton Heritage Museum

Once Upon A Time, \$26,000

London Fringe Theatre Festival

First Annual Fringe Theatre Festival, \$10,000

**London Regional Art
and Historical Museums**

Sculpture City Project, \$30,000

Nipissing Stage Company

Indian Heart, \$25,000

Ontario Museum Association

Museums Month 2000, \$100,000

Opera Atelier / Tapestry New Opera Works

New Opera For New Audiences, \$200,000

Ottawa Bluesfest

Cisco Systems Bluesfest, \$80,000

Ottawa International Jazz Festival

Canada Jazz 2000, \$110,000

Royal Canadian Academy of Arts

Arts 2000, \$120,000

Royal Ontario Museum

Treasures from a Lost Civilization, \$1,000,000

Stratford Arts Foundation

Stratford Summer Music 2001, \$80,000

Stratford Festival of Canada

Canada At Play, \$300,000

Timmins Gold Mine Tour

Timmins Country FanFest, \$80,000

Wahta Mohawk Council

Wahta Mohawks First Annual Pow Wow,
\$15,215

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White Mountain Academy of the Arts
Rendezvous Arts Festival, \$60,000

Woodstock Museum
Full Circle: First Contact, \$15,500

2001 – 2002

Archives and Collections Society
UltraMarine Festival, \$25,000

Art Gallery of Ontario
Voyage into Myth, \$1,258,640

Canadian Opera Company
Wagner's The Ring Cycle (3 year project), \$2,000,000

Canadian Stage Company
Proof, \$150,000

Canadian Tulip Festival
Tulipmania, \$400,000

Centre Culturel Louis-Hemon
The Chapleau Nature Festival de la Nature, \$20,000

Design Exchange
DigiFest, \$135,000

**Historic Military Establishment
of Upper Canada**
The Battle of Georgian Bay, \$35,000

Historic Vehicle Society of Ontario
Canadians on the Move, \$40,000

Kapuskasing Economic Development Team
Kapuskasing Lumberjack Heritage Festival, \$26,664

London Regional Children's Museum
Touch the Stars, \$175,000

MacLaren Art Centre
Opening of MacLaren Art Centre, \$50,000

McMichael Canadian Art Collection
Places of Their Own, \$150,000

Music on the Henley
Music on the Henley Festival, \$15,000

National Ballet of Canada
50th Anniversary Events, \$500,000

Northern Lights Festival Boreal
The Big Show, \$45,000

Ontario Heritage Foundation
Doors Open Ontario, \$120,000

Peterborough Arts Umbrella
PAU Film Festival, \$28,000

Power Plant
The Paradise Institute, \$65,000

Resurgence Theatre Company
York Shakespeare Festival, \$27,000

Royal Botanical Gardens
Colour Comes Alive!, \$200,000

Science North
Jane Goodall's Wild Chimpanzees, \$250,000

Sheatre Educational Alternative Theatre
The Ballad of Kennedy's, \$34,500

Sioux Lookout Blueberry Festival
20th Anniversary Celebrations, \$8,000

St. Clair Parks Commission
150th Anniversary of Uncle Tom's Cabin, \$20,000

Theatre du Nouvel-Ontario
30th Anniversary Celebrations, \$6,850

Toronto International Choral Festival Inc.
Joy of Singing 2002, \$150,000

Victoria County Historical Society
Wizards and Wonders (Harry Potter) Festival, \$40,000

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Diversification OF CLIENT REVENUE SOURCES

Cultural events and attractions supported by OCAF have been successful in attracting new audiences. In fact, organizations funded through the program have seen their attendance grow by over 40% compared to their previous year's performance. To date, the 49 clients who have completed their events have attracted nearly 2.2 million visitors and received revenues of almost \$35 million. By attracting these new audiences, cultural organizations have diversified their sources of earned revenue and have also been successful in attracting private sector support. OCAF clients have reported receiving almost \$15 million in earned revenues and nearly \$7 million in cash and in-kind contributions.

STRATFORD SUMMER MUSIC

STRATFORD ARTS FOUNDATION

Financial Summary (TO MARCH 31, 2002)

- \$11.4 million committed to 61 projects
- \$5.5 million paid out by end of fiscal 2001/02
- Assets of \$16.4 million at end of fiscal 2001/02
- Administration expenses averaging less than \$220,000 per year
- Significant return from investment portfolio
- Longevity of Fund extended
- Fund expected to issue roughly \$40 million over its lifespan – double the Province's initial investment

The most important financial news to report is that the Fund is expected to last longer and therefore deliver greater benefits than initially anticipated. Thanks to the success of their events and attractions, the majority of organizations funded by OCAF have been able to repay the maximum amount set out initially. This contributes to the longevity of the Fund, allowing OCAF to fund more projects. In addition, the Fund's assets have generated significant investment revenues. Given these factors, the original investment of \$20 million by the Province will effectively be doubled over the life of the Fund.

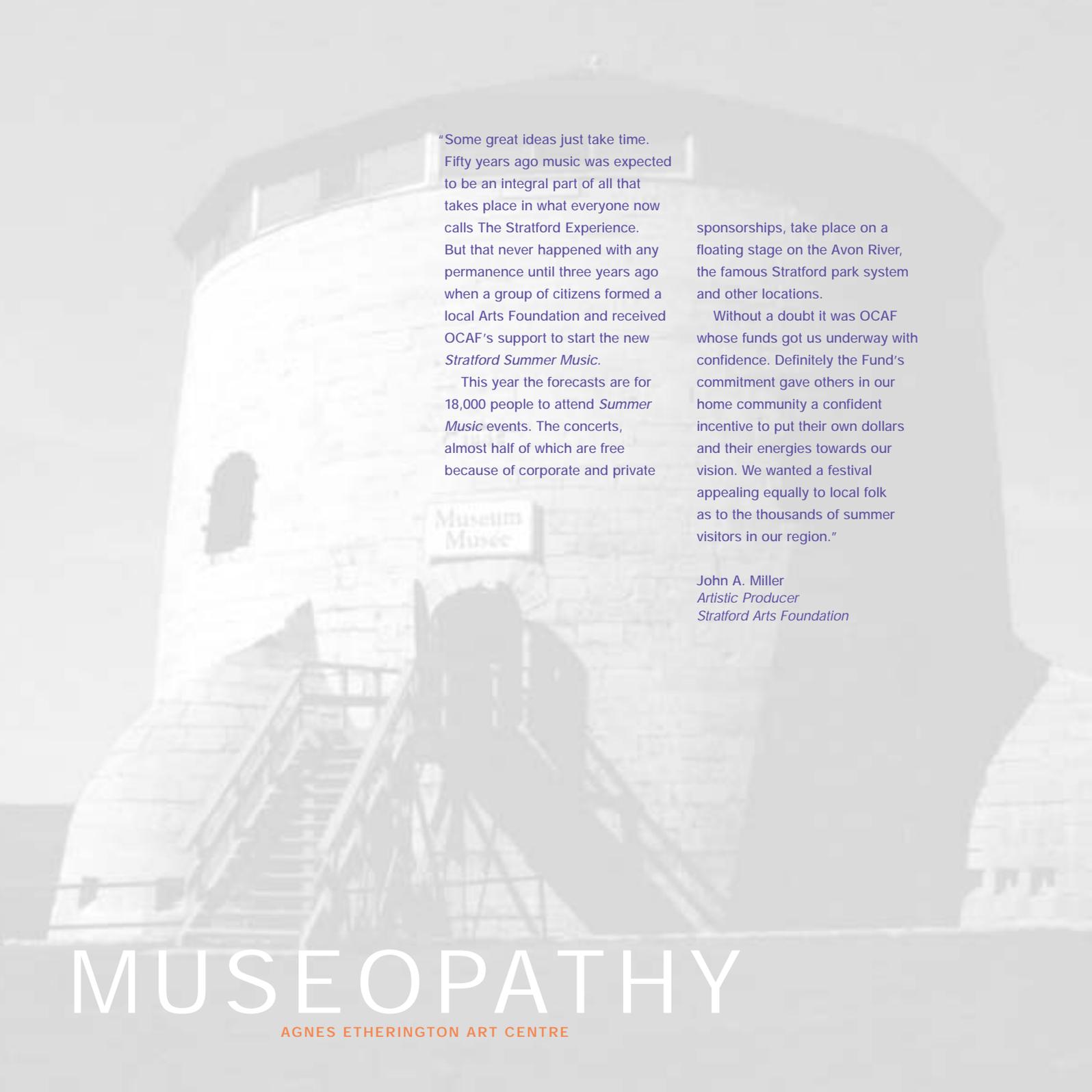
The Outdoor Donnellys, Blyth Centre for the Arts



"Attracting support for new initiatives traditionally poses a "Catch-22" for charitable arts organizations. You need to prove yourself before you're supported. But, you need to be supported before you can prove yourself. With that said, it's been shown repeatedly that once a new initiative is successfully launched, corporate support can easily be attracted. Thankfully, OCAF stepped up to the plate and supported the Cinéfest Sudbury's *Tribute Canadiana* program.

OCAF support helped to leverage public and corporate funding for *Tribute Canadiana*. In true Cinéfest fashion, the *Tribute Canadiana* program has been extremely successful in increasing the excitement and the exposure of the Festival on the national stage. This has helped to further introduce a mainstream film audience to the quality and diversity of the Festival's offerings. Through initial support from OCAF, Cinéfest Sudbury has been successful in attracting significant involvement from Alliance Atlantis as well as local sponsorship."

Tammy Frick
Executive Director,
Cinéfest Sudbury



"Some great ideas just take time. Fifty years ago music was expected to be an integral part of all that takes place in what everyone now calls The Stratford Experience. But that never happened with any permanence until three years ago when a group of citizens formed a local Arts Foundation and received OCAF's support to start the new *Stratford Summer Music*.

This year the forecasts are for 18,000 people to attend *Summer Music* events. The concerts, almost half of which are free because of corporate and private

sponsorships, take place on a floating stage on the Avon River, the famous Stratford park system and other locations.

Without a doubt it was OCAF whose funds got us underway with confidence. Definitely the Fund's commitment gave others in our home community a confident incentive to put their own dollars and their energies towards our vision. We wanted a festival appealing equally to local folk as to the thousands of summer visitors in our region."

John A. Miller
Artistic Producer
Stratford Arts Foundation

MUSEOPATHY

AGNES ETHERINGTON ART CENTRE

Fund accessibility & efficiency

Since 1999, the Fund has committed \$11.4 million to 61 projects across Ontario. This represents almost three times the number of events each year than was projected by provincial staff when the program was created.

The Fund is open to large and small not-for-profit cultural and heritage organizations in all parts of Ontario. As evidence of the Funds' accessibility to small organizations, 38 funded events have had revenues under \$100,000. To date, OCAF has supported events in all regions of Ontario, including two events that were province-wide (*Museums Month* and *Doors Open Ontario*). Events have taken place in communities as diverse as Windsor, Ottawa, Toronto, Chapleau, Sioux Lookout, and Thunder Bay. Seventeen projects have taken place in Northern Ontario.

In order to minimize the demands placed on applicants' staff and volunteers, OCAF has taken care to clearly communicate the Fund's purposes and to design an efficient approval process. There is a two-stage application process for OCAF investment. At Stage 1, the eligibility of organizations is determined through a straightforward two-page form. Only eligible groups move on to the more detailed Stage 2 application. The OCAF Board of Directors makes funding decisions regarding Stage 2 applications with the advice and assistance of OCAF staff. To date, a large proportion of organizations invited to submit a Stage 2 application are approved for funding. These clients generally receive a large portion of the amount that they request. OCAF has received high quality applications and has been committed to fully fund projects that have a good prospect of success.



Doors Open Ontario, Ontario Heritage Foundation

"OCAF allowed us to experiment with promotion and new audience development in ways that had not been available to us before. We mounted a year-long special exhibition and events, promoted it with colour posters and through electronic media, and saw our attendance increase by 65% as a result.

The OCAF-sponsored project brought many lasting insights to our staff: we came to the realization that our visiting public primarily wants to be entertained, and education ranks a distant second.

Thanks OCAF for your confidence in our institution and the capability of our staff."

Robert Tremain
Curator, Lambton Heritage Museum

Statement of Financial Position

For the year ending March 31
* For the period from incorporation (March 17, 1999) to March 31, 2000

| | 2002 | 2001 | 2000* |
|--|---------------|------------|------------|
| Assets – Current | | | |
| Cash | \$ 1,446,659 | 2,595,202 | 2,850,117 |
| Loans Receivable (Note 1) | 905,379 | 748,910 | 1,094,500 |
| Short term investments, at market (Note 2) | 14,050,617 | 13,905,916 | 13,306,372 |
| | 16,402,655 | 17,250,028 | 17,250,989 |
| Loans receivable (Note 1) | — | — | 200,000 |
| | \$ 16,402,655 | 17,250,028 | 17,450,989 |
| Liabilities – Current | | | |
| Accounts payable and accrued liabilities | \$ 73,124 | 3,366 | 7,416 |
| Deferred Contributions (Note 3) | 16,329,531 | 17,246,662 | 17,443,573 |
| | \$ 16,402,655 | 17,250,028 | 17,450,989 |

Statement of Operations

For the year ending March 31
* For the period from incorporation (March 17, 1999) to March 31, 2000

| | 2002 | 2001 | 2000* |
|--|------------|-----------|-----------|
| Revenue | | | |
| Ministry of Culture (Note 3) | \$ 917,131 | 196,911 | 2,556,427 |
| Investment Income | 843,779 | 1,126,435 | 710,760 |
| | 1,760,910 | 1,323,346 | 3,267,187 |
| Expenditures | | | |
| Grant Payments (Note 4) | 1,331,815 | 1,079,184 | 3,070,500 |
| Administrative Expenses | 258,141 | 197,782 | 196,687 |
| Conversion of loans receivable to grant payments | 170,954 | 46,380 | — |
| | 1,760,910 | 1,323,346 | 3,267,187 |
| Excess of revenue over expenditures | \$ — | — | — |

Statement of Cash Flows

For the year ending March 31
* For the period from incorporation (March 17, 1999) to March 31, 2000

| | 2002 | 2001 | 2000* |
|--|--------------|-------------|--------------|
| Cash provided by (used in) Operating Activities | | | |
| Cash received from Provincial government | \$ — | — | 20,000,000 |
| Investment income received | 699,077 | 526,891 | 710,760 |
| Cash paid for grants | (1,331,815) | (1,079,184) | (3,070,500) |
| Cash paid for administrative expenses | (188,382) | (201,832) | (189,271) |
| | (821,120) | (754,125) | 17,450,989 |
| Investing Activities | | | |
| Purchase of short term investments | — | — | (13,306,372) |
| Advances of loans receivable | (954,350) | (667,436) | (1,294,500) |
| Loans receivable repayments | 626,927 | 1,166,646 | — |
| | (327,423) | 499,210 | (14,600,872) |
| Net increase (decrease) in cash | (1,148,543) | (254,915) | 2,850,117 |
| Cash, beginning of year | 2,595,202 | 2,850,117 | — |
| Cash, end of year | \$ 1,446,659 | 2,595,202 | 2,850,117 |

Auditors' Report

To the Board of Directors of the Ontario Cultural Attractions Fund:

We have audited the statements of financial position of the Ontario Cultural Attractions Fund as at March 31, 2002, 2001 and 2000 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Ontario Cultural Attractions Fund as at March 31, 2002, 2001 and 2000 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody L.L.P.

Chartered Accountants

Markham, Ontario

May 3, 2002



Voyage into Myth, Art Gallery of Ontario

Summary

OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

The Ontario Cultural Attractions Fund was incorporated under the Ontario Corporations Act on March 17, 1999, as a not-for-profit organization. The Ontario Cultural Attractions Fund was established to provide investment funding to help arts, cultural and heritage organizations to develop, promote and present events and exhibitions designed to bring in new visitors to cultural attractions in communities across Ontario. The Ontario Cultural Attractions Fund is exempt from income tax.

BASIS OF PRESENTATION

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles as they apply to not-for-profit organizations.

The financial information for the fiscal year 2000 presented in these financial statements reflects the results of operations from the date of incorporation (March 17, 1999) to March 31, 2000 as no significant transactions occurred from March 17, 1999 to March 31, 1999.

REVENUE RECOGNITION

The organization follows the deferral method of accounting for contributions. Since the duration of the program largely depends on the availability of the contributed funds, any contributed funds in excess of net expenditures incurred for operations are deferred.

Investment income is recognized as revenue when earned.

INVESTMENTS

Investments are carried at quoted market value at the statement of financial position date.

FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the Fund is not exposed to significant interest, currency or credit risks arising from its financial instruments.

Virtually all cash is held in one Schedule 1 bank.

USE OF ESTIMATES

The preparation of the financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

NOTES TO FINANCIAL STATEMENTS

1. Ontario Cultural Attractions Fund Program

The Cultural Attractions Fund is a \$20 million program of the Government of Ontario through the Ministry of Culture administered by the Ontario Cultural Attractions Fund (OCAF).

Under the terms of the program, OCAF provides support, in the form of grants and loans, to Ontario's arts, cultural and heritage organizations. The objectives of the program are to: support the tourism potential of major events and exhibitions in Ontario by eligible not-for-profit organizations; increase self-generated revenue for eligible organizations to create jobs in the tourism industry; generate revenue within Ontario by attracting visitors from inside and outside Ontario; and encourage, lever and secure private sector involvement in sponsorship of the Arts, Cultural and Heritage Sector and eligible events by providing funds from the Cultural Attractions Fund (CAF) early in the development and acquisition of major events and related rights to hold such events.

During fiscal year 2002, the Ontario Cultural Attractions Fund paid \$2,286,165 (2001 – \$1,746,620; 2000 – 4,365,000) as grants and loans. The loan portion amounted to \$954,350 in fiscal 2002 (2001 – \$667,436; 2000 – \$1,294,500).

These loans are non-interest bearing, repayable within 60 to 120 days of the closing dates of the eligible projects. All loans receivable are due within one year after the year end except that at the end of fiscal year 2000, \$200,000 of the loans receivable was due on May 30, 2001.

2. Short Term Investments

The money contributed by the Government of Ontario is held in fixed income instruments which bear interest at rates between 1.91% and 6.25% per annum with maturities between April 2002 and March 2005 (2001 – between 4.875% and 6.250% per annum with maturities between October 2001 and March 2005; 2000 – the money was held in a one-year discount note which bore interest at 5.47% per annum and matured on October 13, 2000).

3. Deferred Contributions

Deferred contributions represent unspent resources provided by the Ministry of Culture reserved for the program. These funds in excess of net expenditures incurred for operations are deferred.

4. Grant Payments

Included in grant payments made in fiscal year 2000 is \$2,000,000 given by the Government of Ontario directly to the Art Gallery of Ontario for the 1998 Courtauld exhibition. The exhibition acted as a pilot project for the Cultural Attractions Fund in its initial phase, after the announcement of the program in the spring of 1998. As a result, the actual grant received directly by the Fund was reduced by this amount.

5. Commitments – Grant / Loan Commitment

In fiscal 2002, the Board of Directors of the Ontario Cultural Attractions Fund approved expenditures in the form of grants and loans in the amount of \$5,974,654 (2001 – \$2,976,420; 2000 – \$2,412,200) to various organizations for exhibits and attractions by various arts, cultural and heritage organizations. At March 31, 2002, total grant / loan commitments outstanding amounted to \$5,215,490. (2001 – \$1,677,000; 2000 – \$447,200)

The outstanding commitments are not recorded as liabilities in the current year's financial statements.

6. Comparative Figures

Certain comparative figures presented in the financial statements have been restated to conform to the current year's presentation.

CREDITS

Hill Strategies Lutech Translation Inc. NetGain Partners Inc. PS Design
Research & writing *Translation & writing* *Concept development* *Design & production*

PHOTO CREDITS

Cover *20th Anniversary Celebrations*, Sioux Lookout Blueberry Festival; Mary Lou Fallis, Peter Brown and Peter Tiefenbach in *The Primadonna Does Shakespeare at Stratford Summer Music 2001*, Photo by Jill Webber; *Egyptian Art in the Age of the Pyramids*, Royal Ontario Museum; *Dinosaurs 2000*, Science North; background photo, First Light

Inside front cover *Doors Open Ontario*, Ontario Heritage Foundation

Page 1 Applause photo, PictureQuest

Page 2 *Canada Jazz 2000*, Ottawa International Jazz Festival

Page 3 *Colour Comes Alive*, Royal Botanical Gardens

Page 4 *Timescape*, Ontario Science Centre

Page 5 *The Paradise Institute*, 2001, Janet Cardiff and George Bures Miller, Power Plant. Courtesy of Plug In ICA, Winnipeg.

Page 6 *Egyptian Art in the Age of the Pyramids*, Royal Ontario Museum

Page 7 *Miró: Playing With Fire*, Gardiner Museum of Ceramic Art

Page 8 (1) Re-enactment at *Battle of Georgian Bay*, Historic Military Establishment of Upper Canada
(2) Senator Anne Clare Cools, Honourary Chair for 150th Anniversary Celebrations, Norm Fortin sculptor of Josiah Henson bust, and Barbara Carter, great great granddaughter of Reverend Josiah Henson at the *150th Anniversary of Uncle Tom's Cabin*, St. Clair Parks Commission
(3) Opening of *MacLaren Art Centre*, MacLaren Art Centre

Page 9 (4) Lee Wilson in *Romeo and Juliet*, during *York Shakespeare Festival*, Resurgence Theatre, Photo by David Hou (5) Jane Goodall and Science North staff at *Jane Goodall's Wild Chimpanzees* exhibition, Science North (6) Opening of *MacLaren Art Centre*, MacLaren Art Centre

Page 10 *Stratford Summer Music 2001*, Stratford Arts Foundation. Photo by David Sharpe.

Page 11 Dale Wanless, Kelly McIntosh and Eric Coates in *The Outdoor Donnellys*, Blyth Centre for the Arts. Photo by Off Broadway Photo.

Page 12 Royal Military College of Canada Museum, *Museopathy*, Agnes Etherington Art Centre

Page 13 *Doors Open Ontario*, Ontario Heritage Foundation

Page 15 AGO member admires *Bacchus and Ariadne*, 1907, Maurice Denis, *Voyage into Myth*, Art Gallery of Ontario

Inside back cover Applause photo, PictureQuest

Back cover *Timescape*, Ontario Science Centre





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