

FLINDERS QUARTET INC.
FINANCIAL REPORT
 prepared by Wendy Avilov
 30 March 2022

PURPOSE

To provide the Board with an update of the 2022 Forecast at the 6 April 2022 Board meeting, as well as draft 2021 year-end figures.

2022 FORECAST

1. The 2022 Forecast (refer to Attachment 1) presents a net surplus of \$1,944, which is a \$891 improvement compared to the Budget approved at the 8 February 2022 Board meeting.
2. Concert revenue has increased by \$2,000 due to an increase in presented concert fees confirmed.
3. Government Funding has reduced by \$12,500 due to a regional touring grant we were to seek no longer being available to fund 2022 activity. We have been successful in securing Touring Victoria funding in both 2020 and 2021 and had planned to apply for it again for 2022 activity, however the grant has remained closed for the first half of 2022 and it's unclear if it will open in time for any 2022 activity. The removal of this unconfirmed \$12,500 means there is now no unconfirmed Government funding in the 2022 Forecast.
4. Total Philanthropy of \$269,500 remains unchanged from the 2022 Budget and includes targets of \$89,500 in total from Trusts & Foundations and \$180,000 in total in private donations. The Philanthropy amounts as outlined in the table below, with a total of \$79,368 confirmed to date and \$190,133 in Philanthropy revenue current at risk:

Philanthropy:	2022 forecast	2022 budget
Private Donations - confirmed	16,868	7,600
Private Donations - unconfirmed	162,133	172,400
<i>Total Private Donations</i>	<i>180,000</i>	<i>180,000</i>
Trusts & Foundations - confirmed	62,500	55,500
Trusts & Foundations - unconfirmed	27,000	34,000
<i>Total Trusts and Foundations</i>	<i>89,500</i>	<i>89,500</i>
Total Philanthropy	269,500	269,500

Trusts and Foundations confirmed amounts totalling \$62,500 being:

- Robert Salzer Foundation \$7,000
- Cybec Foundation \$8,000 carried forward from 2021 plus \$20,000 for 2022 activity
- Besen Family Foundation \$10,000
- Canny Quine Foundation (Linda Herd) \$6,000
- Betty Amsden Foundation \$7,500 carried forward from 2021
- Playking Foundation \$4,000 carried forward from 2021

5. 'Other' revenue of \$2,000 has been added, reflecting some education/mentoring work the quartet will do for Shelford Girls' Grammar in June 2022.
6. To offset reduction in Government funding revenue, a cost review has been undertaken. The following reductions have been applied:
 - a. Event costs have been reduced by \$1,868 in venue hire costs for recording projects: we intend to take recordings of the live performances of new works to be premiered in 2022 rather than undertake studio recordings, saving on venue hire costs and allowing for the associated musician calls to be reallocated to other projects/activity.
 - b. Development costs have been reduced by switching an evaluation of the secondary school residency program from an external evaluation to an internal one (and absorbing the work involved into salaries).
 - c. Publicity costs have been reduced as our preferred publicist is unable to take on our 2022 work; we will undertake some of the 2022 publicity work internally but still keep some publicity funds in the forecast in the event we are able to secure someone else.

Cashflow

7. Flinders Quartet has \$271,430 of cash on hand as at 29 March 2022, with \$62,500 restricted for specific purposes. The Creative Victoria \$100,000 for 2022 has not yet been received and is not included in the cash on hand or restricted/committed cash figures.

2021 ACTUALS - DRAFT

8. The 2021 year-end financials have been reviewed by the external accountants, and the draft reviewed financial report for the year ending 31 December 2021 is provided as a separate paper for the Board's review and approval.
9. A summary of the 2021 year-end position is provided in Attachment 2, presenting a net surplus of \$83,541. This represents a \$5,575 improvement on the 2021 draft actuals presented at the 8 February 2022 board meeting, resulting from 2022-related marketing expenditure journaled into the 2022 year at the accountant's recommendation.

ATTACHMENT 1 – 2022 FORECAST

FLINDERS QUARTET							
Financial Summary							
	2022 FORECAST	2022 APPROVED BUDGET	Variation	2021 DRAFT ACTUALS	2020 ACTUAL	2019 ACTUALS	2018 ACTUALS
Income							
Concerts Revenue	65,500	63,500	2,000	51,176	39,661	56,263	66,625
Government Funding	134,000	146,500	-12,500	46,500	88,000	21,000	61,000
Government COVID-19 Stimulus	0	0	0	69,200	179,744		
Philanthropy	269,500	269,500	0	263,148	201,225	167,530	163,077
Recording	3,500	3,500	0	3,890	715	3,450	1,125
Other	2,000	0	2,000	0	0	13,628	0
Total Revenue	474,500	483,000	-8,500	433,914	509,344	261,871	291,827
Expenditure							
Salaries	321,202	320,999	203	247,720	265,189	161,983	162,656
Event costs	74,486	76,354	-1,868	55,249	50,114	27,729	45,890
Development	8,100	14,100	-6,000	4,895	16,088	37,347	19,594
Recording	6,000	6,000	0	11,030	6,280	10,952	11,701
Marketing	32,624	35,474	-2,850	12,411	11,030	12,961	21,873
Travel	20,730	19,670	1,060	8,177	4,147	11,784	14,148
Administration and other	9,415	9,350	65	10,891	8,444	6,186	6,696
Total Expenditure	472,556	481,947	-9,391	350,373	361,293	268,942	282,558
NET SURPLUS / (DEFICIT)	1,944	1,053	891	83,541	148,051	-7,071	9,269
Government Funding:							
Australia Council - confirmed	28,000	28,000	0	0	20,000	21,000	38,000
Creative Victoria - confirmed	100,000	100,000	0	19,500	21,000	0	23,000
City of Melbourne	0	0	0	15,000	12,000	0	0
Creative Partnerships	0	0	0	0	25,000	0	0
Creative Victoria/Touring Vic	0	12,500	-12,500	18,000	10,000	0	
RISE - unconfirmed	0	0	0	0			
Carried forward from 2021 to 2022	6000	6000	0	-6,000			
	134,000	146,500	-12,500	46,500	88,000	21,000	61,000
Philanthropy:							
Private Donations - confirmed	16,868	7,600	9,268	171,648	111,025	131,030	106,827
Private Donations - pledged	0	0	0	0			
Private Donations - unconfirmed	163,133	172,400	-9,268	0			
Trusts & Foundations - confirmed	43,000	36,000	7,000	111,000	90,200	36,500	56,250
Trusts & Foundations - unconfirmed	27,000	34,000	-7,000	0			
Carried forward from 2021 to 2022	19,500	19,500	0	-19,500			
	269,500	269,500	0	263,148	201,225	167,530	163,077
Cash Reserves:							
Cash balances as at 29 Mar 2022	271,430						
Committed cash balances	62,500						
Philanthropy revenue at risk	190,133						

ATTACHMENT 2 – 2021 ACTUALS (DRAFT)

FLINDERS QUARTET Financial Summary								
	2021 DRAFT ACTUALS	2021 BUDGET	Var \$	2020 ACTUAL	2020 BUDGET	Var \$	2019 ACTUALS	2018 ACTUALS
Income								
Concerts Revenue	51,176	62,500	-11,324	39,661	76,500	-36,839	56,263	66,625
Government Funding	46,500	90,000	-43,500	88,000	78,000	10,000	21,000	61,000
Government COVID-19 Stimulus	69,200	0	69,200	179,744	0	179,744		
Philanthropy	263,148	203,000	60,148	201,225	190,000	11,225	167,530	163,077
Recording	3,890	4,500	-610	715	5,500	-4,785	3,450	1,125
Other	0	0	0	0	0	0	13,628	0
Total Revenue	433,914	360,000	73,914	509,344	350,000	159,344	261,871	291,827
Expenditure								
Salaries	247,720	233,656	14,064	265,189	228,950	36,239	161,983	162,656
Event costs	55,249	70,984	-15,735	50,114	51,365	-1,251	27,729	45,890
Development	4,895	7,208	-2,313	16,088	11,400	4,688	37,347	19,594
Recording	11,030	3,000	8,030	6,280	4,000	2,280	10,952	11,701
Marketing	12,411	26,070	-13,659	11,030	29,000	-17,970	12,961	21,873
Travel	8,177	11,320	-3,143	4,147	15,845	-11,698	11,784	14,148
Administration and other	10,891	9,488	1,403	8,444	7,564	880	6,186	6,696
Total Expenditure	350,373	361,726	-11,353	361,293	348,124	13,169	268,942	282,558
NET SURPLUS / (DEFICIT)	83,541	-1,726	85,267	148,051	1,876	146,175	-7,071	9,269
Government Funding:								
Australia Council - unsuccessful	0	20,000	-20,000	20,000	19,000	-19,000	21,000	38,000
Creative Victoria - confirmed	19,500	55,000	-35,500	21,000	19,000	500	0	23,000
City of Melbourne - confirmed	15,000	15,000	0	12,000	15,000	0	0	0
Creative Partnerships	0	0	0	25,000	25,000	-25,000	0	0
Creative Victoria/Touring Vic - confirmed	18,000	0	18,000	10,000		18,000	0	
Creative Vic (project) - carry forward to '22	-6,000							
	46,500	90,000	-37,500	88,000	78,000	-25,500	21,000	61,000
Philanthropy:								
Private Donations - confirmed	171,648	5,000	166,648	111,025	135,000	36,648	131,030	106,827
Private Donations - pledged	0		0					
Private Donations - unconfirmed	0	113,000	-113,000					
Trusts & Foundations - confirmed	111,000	36,500	74,500	90,200	55,000	56,000	36,500	56,250
Trusts & Foundations - unconfirmed	0	48,500	-48,500					
Trusts & Foundation - carry forward to '22	-19,500							
	263,148	203,000	79,648	201,225	190,000	92,648	167,530	163,077