

**FLINDERS QUARTET INC.**  
**FINANCIAL REPORT**  
prepared by Wendy Avilov  
14 September 2023

**PURPOSE:**

To provide the Board with an update of the 2023 Forecast.

**CURRENT CASH POSITION**

Flinders Quartet has \$403,278 cash on hand as at 14 September 2023 with \$48,500 restricted for specific committed purposes (all of which is forecast to be expended by 31 December 2023).

**2023 FORECAST**

1. The 2023 Forecast (refer to Attachment 1) presents a net surplus of \$8,516, which is a \$7,669 better than Budget.
2. Concert revenue forecast has decreased almost \$11,000 compared to budget because of slightly lower than budgeted tickets sales for the first two concert programs at Melbourne Recital Centre and St John's Flinders, a significant revision of the forecasted revenue from FQ Digital, and three presented concerts unable to be confirmed for 2023 (that will instead take place in 2024). The current concert revenue forecast comprises:
  - a. \$24,045 ticket sales target; \$20,699 has been received to date
  - b. \$78,558 concert fees expected; \$58,076 has been received to date
3. Government Funding forecast increased from \$130,000 to \$149,000 due to a successful Australia Council grant not previously included in the Budget. The current forecast comprises:
  - a. Creative Victoria \$100,000 (received)
  - b. City of Melbourne \$30,000 (received)
  - c. Australia Council \$19,000 (received; this is 50% of the total grant, with the balance to be included in the 2024 Budget)
4. Philanthropy revenue forecast increased from \$227,500 to \$255,000 due to successful funding applications not previously included in the Budget.
  - a. Private donation revenue target of \$199,000 remains the same, with \$151,814 confirmed and received, \$9,000 pledged to support new work commissions, and \$38,186 yet to be raised in 2023.
    - A comparison of this time last year shows that in late August 2022 we still had \$46,339 in private donation revenue to raise, and in the September-December 2022 period were able to secure \$46,797. These donations comprised a couple of commission 'instalments' (with the balance due in 2023), donations resulting from our campaign to raise funds for FQ's 2023 education activity, and regular annual donations.
  - b. Trusts & Foundation (T&F) revenue target has increased from \$28,500 to \$56,000:
    - Canny Quine Foundation (Linda Herd) \$6,000 – confirmed/received

- Robert Salzer Foundation \$7,500 – confirmed/received
- Besen Family Foundation \$10,000 – confirmed/received
- The Angior Family Foundation \$7,500 – confirmed/received
- Cybec Foundation \$25,000 – confirmed/received

5. Recording revenue forecast increased in early 2023 due to a new recording project fee (engaged by Bryony Marks).
6. Expenditure variations include:
  - a. Change in permanent salaried employee costs resulting from Helen taking leave from Education Coordinator position for the remainder of 2023
  - b. Changes in casual employee and guest artist (contractor) costs resulting from project work funded by Australia Council and T&F grants
  - c. Changes in event costs resulting from project work funded by new government and T&F grants; includes rehearsal and performance venue hire, and production expenses
  - d. Addition of \$12,400 recording expenditure for recording projects supported by the Australia Council and The Angior Family Foundation grants
  - e. Increase in travel costs resulting from higher-than-expected flight and ground transport costs for the Northern Tasmania tour
7. FQ will pay Wilma her accrued 'sick' leave when she has her surgery later this year; the cost for a replacement violinist to do the late November and December work is estimated at approx \$3,000. The current Forecast has a \$3,000 contingency for musician illness/injury, therefore the bottom line will be minimally affected by this situation.
8. Please refer to Attachment 2 for a full list of 2023 activity covered under this Forecast.

## ATTACHMENT 1 – 2023 FORECAST

<b>FLINDERS QUARTET</b>					
<b>Financial Summary</b>					
	<b>2023 FORECAST</b>	<b>2023 BUDGET</b>	<b>Variance</b>	<b>2022 ACTUALS</b>	<b>2021 ACTUALS</b>
<b>Income</b>					
Concerts Revenue	102,602	113,591	-10,989	60,754	51,176
Government Funding	149,000	130,000	19,000	134,000	46,500
Government COVID-19 Stimulus	0	0	0	0	69,200
Philanthropy	255,000	227,500	27,500	251,379	263,148
Recording	13,200	4,800	8,400	2,692	3,890
Other	0	0	0	9,400	0
<b>Total Revenue</b>	<b>519,802</b>	<b>475,891</b>	<b>43,911</b>	<b>458,225</b>	<b>433,914</b>
<b>Expenditure</b>					
Permanent salaried employee costs	246,239	250,407	-4,169	317,502	247,720
Casual employee costs	96,191	81,847	14,344		
Contractors	10,141	5,850	4,291		
Event costs	85,162	77,919	7,243	73,722	55,249
Development	6,699	7,650	-951	7,280	4,895
Recording	12,400	0	12,400	2,012	11,030
Marketing	24,843	24,000	843	19,468	12,411
Travel	20,712	18,570	2,142	22,519	8,177
Administration and other	8,900	8,800	100	8,028	10,891
<b>Total Expenditure</b>	<b>511,287</b>	<b>475,044</b>	<b>36,243</b>	<b>450,532</b>	<b>350,373</b>
<b>NET SURPLUS / (DEFICIT)</b>	<b>8,516</b>	<b>847</b>	<b>7,669</b>	<b>7,693</b>	<b>83,541</b>
<b>Government Funding:</b>					
Australia Council - confirmed	19,000	0	19,000	28,000	0
Creative Victoria - confirmed	100,000	100,000	0	100,000	19,500
City of Melbourne - confirmed	30,000	30,000	0	0	15,000
Creative Partnerships	0	0	0	0	0
Creative Victoria/Touring Vic	0	0	0	0	18,000
Carried forward from 2021 to 2022	0	0	0	6,000	-6,000
	<b>149,000</b>	<b>130,000</b>	<b>19,000</b>	<b>134,000</b>	<b>46,500</b>
<b>Philanthropy:</b>					
Private Donations - confirmed	151,814	0	151,814	183,879	171,648
Private Donations - pledged	9,000	0	9,000	0	0
Private Donations - unconfirmed	38,186	199,000	-160,814	0	0
Trusts & Foundations - confirmed	56,000	0	56,000	48,000	111,000
Trusts & Foundations - unconfirmed	0	28,500	-28,500	0	0
Carried forward from 2021 to 2022	0	0	0	19,500	-19,500
	<b>255,000</b>	<b>227,500</b>	<b>27,500</b>	<b>251,379</b>	<b>263,148</b>
<b>Cash Reserves:</b>					
Cash balances as at 14 September 2022	403,278				
Committed cash balances	48,500				
Philanthropy revenue at risk	47,186				

## **ATTACHMENT 2 – 2023 ACTIVITY COVERED UNDER FORECAST**

National tour for Musica Viva Australia (Feb/March) – 10 concerts

Octet performance for 3MBS Marathon (Feb) – 1 concert

Three concert programs (May, July and October)

- Self-presented in the Primrose Potters Salon at Melbourne Recital Centre, Montsalvat and St John's Church – total of 11 live concerts
- Made available for on-demand streaming on FQ Digital – 3 digital concerts
- May concert program toured to regional Victoria and Northern Tasmania – 4 concerts
- July concert program toured to regional Victoria – 2 concerts
- October concert program toured to regional Victoria – 2 concerts

One concert program toured and engaging guest artist (erhu)

- 3 regional concerts and 1 concert in the David Li Sound Gallery at Monash – 4 concerts
- Monash concert filmed for on-demand streaming on FQ Digital – 1 digital concert

Two open rehearsals (May and Oct)

Residency with Monash University

Creative development, rehearsals and performance of new works by 5 composers: Brenda Gifford, Maria Grenfell, Clare Strong, Julian Yu, and Natalie Nicolas

Studio recordings

- Margaret Sutherland's clarinet quartet for ABC Classic (March)
- Bryony Marks' 'Australia Fair?' (March)
- Elizabeth Maconchy String Quartet No. 5 (July)
- Brenda Gifford "Dissipate" (Nov)
- Julian Yu "From Bach to Beijing" (Nov)
- Clare Strong "The Waiting Game" (Dec)

Year-long Emerge composer program – 6 composers

Workshops and side-by-side concerts with regional Victorian musicians through the Itet and Resonance programs – total 5 concerts

Residency activity with Footscray High School and Ringwood College

Ongoing development of FQ Digital (including FQ Digital Free) and the FQ learning hub

2024 creative development period

Sick leave cover for Wilma when she has surgery and post-op recording in late November into December