

## FLINDERS QUARTET INC.

### FINANCIAL REPORT

22 June 2021

#### PURPOSE:

To provide the Board with an update of the 2021 Forecast and the final Financial Statements for the year ended 31 December 2020 to be approved by the Board.

#### 2021 FORECAST

1. The 2021 Forecast (refer to Attachment 1) presents a net surplus of \$9,039, no change from the previous Forecast.
2. Government funding forecast of \$52,500 is confirmed for the year. Our second round Creative Victoria funding application for \$19,500 was successful, however the second round application to Australia Council for \$21,000 was unsuccessful. An \$18,000 grant application to Creative Victoria/Touring Victoria that was not previously included in the Budget has been successful, offsetting the loss of the Australia Council funding. The \$18,000 from Creative Victoria/Touring Victoria goes towards the bottom line as no additional expenditure will be incurred as a result of this grant.
3. Government COVID-19 stimulus of \$17,600 comprises the January-March 2021 JobKeeper plus February 2021 Business Victoria 'circuit-breaker' support initiative. We have applied for the most recent Victorian Government 'circuit-breaker' business support of \$5,000 and await the outcome.
4. Total concert revenue earned to date is \$23,506, with \$40,282 remaining to be earned for the year.
  - Ticket sales earned to date: \$8,906. Ticket sales forecast to be earned through July and October self- and co-presented concerts: \$15,382.
  - Performance fees earned to date: \$14,600. Performance fees forecast to be earned through secured/confirmed July and October presented concerts (including Australian Festival of Chamber Music): \$24,900.

The concert revenue reflected in the forecast has increased (compared to budget) due to a slight exceeding of target for May 2021 concert ticket revenue.

5. Total Philanthropy target of \$235,000 is unchanged from previous forecast and is \$30,000 greater than Budget due to the Playking Foundation grant. Of the \$235,000 target, \$62,410 is yet to be secured/confirmed. Philanthropy amounts as outlined in the table below:

<b>Philanthropy:</b>	<b>2021 forecast</b>	<b>2021 budget</b>
Private Donations - confirmed	75,090	5,000
Private Donations - pledged	24,100	
Private Donations - unconfirmed	20,810	113,000
<i>Total Private Donations</i>	<i>120,000</i>	<i>118,000</i>
Trusts & Foundations - confirmed	107,500	36,500
Trusts & Foundations - unconfirmed	7,500	48,500

<i>Total Trusts and Foundations</i>	<i>115,000</i>	<i>85,000</i>
Total Philanthropy	<b>235,000</b>	<b>203,000</b>

Private donations total target of \$120,000 is made up of:

- \$75,090 received to date
- \$18,500 of the \$24,100 pledged donations is for new work commissions, and the balance for other projects or general support; conversations are in progress with other identified potential donors to secure the unconfirmed support amount of \$20,810 before the end of 2021

Trusts and Foundations target of \$115,000 and includes confirmed amounts of \$107,500 being:

- Robert Salzer Foundation \$6,500
- Cybec Foundation \$20,000
- Victorian Womens' Trust / Prue Myer Fund \$10,000
- Betty Amsden Foundation \$20,000
- Canny Quine Foundation (Linda Herd) \$6,000
- Lyngala Foundation (Anthony and Karen Adair) \$5,000
- Playking Foundation \$30,000
- Besen Family Foundation \$10,000

6. Salaries and marketing expenditure have increased as a result of the new projects to be undertaken thanks to the Playking Foundation grant offset by reductions to event and development costs.

## Cashflow

7. Flinders Quartet has \$326,305 of cash on hand as at 18 June 2021 with \$137,693 restricted for specific committed purposes.

## 2020 Financial Statements

8. The final 2020 financial statements present a net surplus of \$148,051 (refer to separate 2020 Financial Report documents). These figures include year-end adjustments and have been prepared by Johnston Grocke as in previous years.
9. The financial statements include a true and fair position declaration on page 14. This states that there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable.
10. The Board's report on page 3 also provides a going concern statement as such "This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate."
11. We seek the Board's approval of the 2020 Financial Statements at the 22 June 2021 Board meeting.

## ATTACHMENT 1 - FINANCIAL SUMMARY 2021

<b>FLINDERS QUARTET</b>				
<b>Financial Summary</b>				
	<b>2021 FORECAST</b>	<b>2021 BUDGET</b>	<b>Var \$</b>	<b>2020 ACTUAL</b>
<b>Income</b>				
Concerts Revenue	63,789	62,500	1,289	39,661
Government Funding	52,500	90,000	-37,500	88,000
Government COVID-19 Stimulus	17,600	0	17,600	179,744
Philanthropy	235,000	203,000	32,000	201,225
Recording	5,000	4,500	500	715
Other	0	0	0	0
<b>Total Revenue</b>	<b>373,889</b>	<b>360,000</b>	<b>13,889</b>	<b>509,344</b>
<b>Expenditure</b>				
Salaries	249,541	233,656	15,885	265,189
Event costs	61,976	70,984	-9,008	50,114
Development	5,064	7,208	-2,144	16,088
Recording	2,000	3,000	-1,000	6,280
Marketing	27,386	26,070	1,316	11,030
Travel	10,532	11,320	-788	4,147
Administration and other	8,350	9,488	-1,138	8,444
<b>Total Expenditure</b>	<b>364,849</b>	<b>361,726</b>	<b>3,123</b>	<b>361,293</b>
<b>NET SURPLUS / (DEFICIT)</b>	<b>9,039</b>	<b>-1,726</b>	<b>10,765</b>	<b>148,051</b>
<b>Government Funding:</b>				
Australia Council - unsuccessful	0	20,000	-20,000	20,000
Creative Victoria - confirmed	19,500	55,000	-35,500	21,000
City of Melbourne - confirmed	15,000	15,000	0	12,000
Creative Partnerships	0	0	0	25,000
Creative Victoria/Touring Vic - confirmed	18,000	0	18,000	10,000
	<b>52,500</b>	<b>90,000</b>	<b>-37,500</b>	<b>88,000</b>
<b>Philanthropy:</b>				
Private Donations - confirmed	75,090	5,000	70,090	111,025
Private Donations - pledged	24,100		24,100	
Private Donations - unconfirmed	20,810	113,000	-92,190	
Trusts & Foundations - confirmed	107,500	36,500	71,000	90,200
Trusts & Foundations - unconfirmed	7,500	48,500	-41,000	
	<b>235,000</b>	<b>203,000</b>	<b>32,000</b>	<b>201,225</b>
<b>Cash Reserves:</b>				
Cash balances at 18 June	326,305			
Committed cash balances	137,693			