

**FLINDERS QUARTET INC.**  
**FINANCIAL REPORT – 2020 and 2021**  
**9 December 2020**

**PURPOSE:**

To provide the Board an indication of the anticipated financial position at the end of 2020, and to present the 2021 budget for discussion and decision at the 9 December 2020 board meeting.

**SUMMARY:**

1. The 2020 Forecast presents a net surplus of \$139,037, including provision for expenditure still expected to be spent before 31 December 2020.
2. The 2021 Budget presents a net deficit of \$1,726, which is a \$4,739 deficit decrease (improvement) compared to the draft budget presented on 24 November 2020. This budget includes anticipated impacts of COVID-19 on 2021 ticket sales, and while surplus cash reserves from 2020 are available to fund a deficit, further work is underway to identify opportunities to reduce the proposed deficit.
3. Changes to the budget since the 24 November 2020 meeting include:
  - a. Successful City of Melbourne grant in the amount of \$15,000; the draft budget showed a targeted amount of \$10,000 from City of Melbourne as in the past they have always reduced our grant ask. However, this time they approved the full amount applied for \$15,000.
  - b. Our Australia Council application for \$30,000 has been unsuccessful; they have advised us that they received 1,305 applications to the Arts Projects round with an overall success rate of 18%, and that our application ranked in the top band (the top 33%) of the round indicating that the assessors regarded our application very highly and may have been support it if sufficient funding had been available. We will reshape the application and submit in early March 2021 with a grant ask of \$20,000.
  - c. Very positive discussions with Betty Amsden Foundation, with indications that \$20,000 in support will be confirmed by mid-December (\$15,000 originally included in the draft budget).
  - d. Approximately \$2,600 reduction in Development expenditure resulting from an adjustment to the approach to securing Fifth String and commission donations in 2021 (focussing more on one-on-one interactions, less on a formal event).
4. JobKeeper “Extension 2” (January to March 2021) has not been incorporated into this budget but is very likely to be received based on current turnover. We will finalise the figures once the December 2020 quarter closes and will apply for the extension if we can prove the required decline in turnover. If eligible, estimated net positive impact on the budget will be a minimum of \$15,000.

5. Philanthropy amounts as outlined in the table below; the Betty Amsden \$20,000 will remain in the “remaining target” line until confirmed:

<b>Philanthropy:</b>	
Private Donations - confirmed	5,000
Private Donations - target	113,000
Trusts & Foundations - confirmed	36500
Trusts & Foundations - target	48,500
	<b>203,000</b>

Private donations target of \$118,000 is made up of:

- \$85,000 from regular annual ('renewable') donations, plus
- \$33,000 identified targets regarding new work commissions; \$5,000 of this is currently confirmed and conversations are in progress with the other identified potential donors

Trusts and Foundations target of \$85,000 and includes confirmed amounts of \$36,500 being:

- Robert Salzer Foundation \$6,500
- Cybec \$20,000
- Victorian Womens' Trust / Prue Myer Fund \$10,000

6. Government funding target of \$90,000:

<b>Government Funding:</b>	
Australia Council - applying early March	20,000
Creative Victoria - awaiting outcome	55,000
City of Melbourne - confirmed	15,000
	<b>90,000</b>

## ATTACHMENT – FINANCIAL SUMMARY 2021 (with 2020 comparison)

FLINDERS QUARTET								
Financial Summary								
	2021 BUDGET	2020 FORECAST	Var \$	2020B	Var \$	2019 ACTUAL S	2018 ACTUAL S	2017 ACTUAL S
<b>Income</b>								
Concerts Revenue	62,500	38,207	24,293	76,500	-14,000	56,263	66,625	71,564
Government Funding	90,000	88,000	2,000	78,000	12,000	21,000	61,000	48,500
Government COVID-19 Stimulus	0	179,744	-179,744					
Philanthropy	203,000	204,942	-1,942	190,000	13,000	167,530	163,077	159,435
Recording	4,500	715	3,785	5,500	-1,000	3,450	1,125	2,169
Other	0	0	0	0	0	13,628	0	2,073
<b>Total Revenue</b>	<b>360,000</b>	<b>511,608</b>	<b>-151,608</b>	<b>350,000</b>	<b>10,000</b>	<b>261,871</b>	<b>291,827</b>	<b>283,741</b>
<b>Expenditure</b>								
Salaries	233,656	271,038	-37,381	228,950	4,706	161,983	162,656	158,425
Event costs	70,984	39,328	31,656	51,365	19,619	27,729	45,890	54,461
Development	7,208	25,203	-17,995	11,400	-4,192	37,347	19,594	13,854
Recording	3,000	3,000	0	4,000	-1,000	10,952	11,701	7,557
Marketing	26,070	18,135	7,935	29,000	-2,930	12,961	21,873	15,372
Travel	11,320	7,162	4,158	15,845	-4,525	11,784	14,148	8,907
Administration and other	9,488	8,705	783	7,564	1,924	6,186	6,696	13,031
<b>Total Expenditure</b>	<b>361,726</b>	<b>372,571</b>	<b>-10,845</b>	<b>348,124</b>	<b>13,602</b>	<b>268,942</b>	<b>282,558</b>	<b>271,607</b>
<b>NET PROFIT / (LOSS)</b>	<b>-1,726</b>	<b>139,037</b>	<b>-140,763</b>	<b>1,876</b>	<b>-3,602</b>	<b>-7,071</b>	<b>9,269</b>	<b>12,134</b>
<b>COVID-19 Stimulus:</b>								
ATO PAYG credit - confirmed	0	35,508	-35,508					
Victoria Government support (Creative Victoria & Business Support Fund)	0	40,000	-40,000					
Australia Council	0	22,236	-22,236					
City of Melbourne	0	4,000	-4,000					
JobKeepers allowance	0	78,000	-78,000					
	<b>0</b>	<b>179,744</b>	<b>-179,744</b>					
<b>Government Funding:</b>								
Australia Council - applying	20,000	20000	0	19,000	1,000	21,000	38,000	18,500
Creative Victoria - applying	55,000	21000	34,000	19,000	36,000	0	23,000	15,000
City of Melbourne - confirmed	15,000	12000	3,000	15,000	0	0	0	0
Creative Partnerships	0	25000	-25,000	25,000	-25,000	0	0	15,000

Creative Victoria/Touring Vic	0	10000	-10,000		0	0		0
	90,000	88,000	2,000	<b>78,000</b>	<b>12,000</b>	<b>21,000</b>	<b>61,000</b>	<b>48,500</b>
<b>Philanthropy:</b>								
Private Donations - confirmed	5,000	104,942	-99,942	135,000	-130,000	131,030	106,827	151,935
Private Donations - target	113,000							
Trusts & Foundations - confirmed	36500	100000	-63,500	55,000	-18,500	36,500	56250	7500
Trusts & Foundations - target	48,500							
	203,000	204,942	-163,442	<b>190,000</b>	<b>-148,500</b>	167,530	163,077	159,435
<b>Cash Reserves:</b>								
Financial assets		36,369			66,531			
Less: Liabilities and commitments		-8,613			-43,979			
Less: Contingency TBC		-15,000			-15,000			
Available cash reserves		12,756			7,552			
<b>Key Drivers:</b>					2019			
FTE staff	1.86	1.86			2.145			
Number of events - ticketed	22	6						
Number of events - free	13	8						
Attendance - ticketed	2960	1952						
Attendance - free	650	987						
Average ticket price (self-presented events)	\$18.92	\$20.00						
Number of emerging composers engaged	9	6			6			
Number of students								
Guests artists/collaborators	2	3			3			
Number of new works	7	8			1			