

# FLINDERS QUARTET INC. FINANCIAL REPORT

17 October 2019

## 2019 FINANCIAL SUMMARY

FLINDERS QUARTET Financial Summary - 2019					
	2019 FORECAST	2019 BUDGET	2019 Var \$	2018A	2017A
<b>Income</b>					
Concerts Revenue	57,477	52,136	5,341	66,625	71,564
Government Funding	21,000	74,500	-53,500	61,000	48,500
Philanthropy	184,050	180,000	4,050	163,077	159,435
Recording	3,737	1,900	1,837	1,125	2,169
Other	887	2,000	-1,113	0	2,073
<b>Total Revenue</b>	<b>267,151</b>	<b>310,536</b>	<b>-43,385</b>	<b>291,827</b>	<b>283,741</b>
<b>Expenditure</b>					
Salaries	165,215	181,610	-16,395	162,656	158,425
Event costs	32,950	47,295	-14,345	45,890	54,461
Development	30,498	34,500	-4,002	19,594	13,854
Recording	1,403	2,850	-1,447	11,701	7,557
Marketing	21,612	22,850	-1,238	21,873	15,372
Travel	9,811	12,745	-2,934	14,148	8,907
Administration and other	5,443	6,410	-967	6,696	13,031
<b>Total Expenditure</b>	<b>266,932</b>	<b>308,260</b>	<b>-41,328</b>	<b>282,558</b>	<b>271,607</b>
<b>NET PROFIT / (LOSS)</b>	<b>219</b>	<b>2,276</b>	<b>-2,057</b>	<b>9,269</b>	<b>12,134</b>
<b>Government funding:</b>					
Creative Victoria	21,000	38,500	-17,500	38,000	18,500
Australia Council - 2019 unsuccessful	0	21,000	-21,000	23,000	15,000
Local govt - unsuccessful	0	15,000	-15,000	0	0
Creative Partnerships Australia	0	0	0	0	15,000
	21,000	74,500	-53,500	61,000	48,500
<b>Philanthropy:</b>					
Private Donations - Received	112,550		-12,450	106,827	151,935
Private Donations - Target	20,000	125,000			
Trusts & Foundations - Confirmed	36,500	55,000	-18,500	56,250	7,500
Trusts & Foundations - Target	15,000				
	184,050	180,000	-30,950	163,077	159,435
<b>Cash Reserves: TBC</b>					
<b>Key Drivers: TBC</b>	<b>2019F</b>			<b>2018</b>	<b>2017</b>
FTE staff					
Number of events - ticketed					
Number of events - free					
Attendance - ticketed					
Attendance - free					
Average ticket price					
Number of emerging composers engaged					
Number of students					
Guests artists					

## 2019 FORECAST NOTES

- The '2019 Budget' figures shown are from the 2019 budget presented to the board in December 2018
- The '2019 Forecast' figures include actual income/expenditure to date, plus targeted and estimated figures for October-December 2019
- Variances in salaries and event costs are the result of a reduction in activity once it was understood that we weren't going to reach the government funding budgeted for. The following cost reductions were made:
  - tightening up of the rehearsal/project schedules (i.e. reduced the number of paid calls)

- removed 24 paid calls that we planned to use for either international touring or album recording, plus cost allowances made for those activities
- reduced some guest artist fees (one because we didn't end up with an extra performance we'd planned on; and another 'extension' type activity we decided to scrap due to lack of funds)
- reduced production/technical costs associated with one of the programs
- coaching/professional development didn't go ahead
- an arrangement commission planned on fell through (an existing work by the same composer/arranger was programmed in lieu)
- The next version of this financial summary format will show cash reserves and key drivers (as indicated with TBCs, currently)

## 2020 DRAFT BUDGET

<b>FLINDERS QUARTET</b>						
<b>Financial Summary - 2020</b>						
	<b>2020 BUDGET</b>	<b>2019 FORECAST</b>	<b>Var \$</b>	<b>2018A</b>	<b>2017A</b>	
<b>Income</b>						
Concerts Revenue	63,000	57,477	5,523	66,625	71,564	
Government Funding	79,842	21,000	58,842	61,000	48,500	
Philanthropy	195,000	184,050	10,950	163,077	159,435	
Recording	2,500	3,737	-1,237	1,125	2,169	
Other	0	887	-887	0	2,073	
<b>Total Revenue</b>	<b>340,342</b>	<b>267,151</b>	<b>73,191</b>	<b>291,827</b>	<b>283,741</b>	
<b>Expenditure</b>						
Salaries	223,516	165,215	58,301	162,656	158,425	
Event costs	43,300	32,950	10,350	45,890	54,461	
Development	10,600	30,498	-19,898	19,594	13,854	
Recording	4,500	1,403	3,097	11,701	7,557	
Marketing	31,000	21,612	9,388	21,873	15,372	
Travel	15,100	9,811	5,289	14,148	8,907	
Administration and other	9,850	5,443	4,407	6,696	13,031	
<b>Total Expenditure</b>	<b>337,866</b>	<b>266,932</b>	<b>70,934</b>	<b>282,558</b>	<b>271,607</b>	
<b>NET PROFIT / (LOSS)</b>	<b>2,476</b>	<b>219</b>	<b>2,257</b>	<b>9,269</b>	<b>12,134</b>	
<b>Grants:</b>						
Creative Victoria - F20 applied	21,000	21,000	0	38,000	18,500	
Australia Council - F20 applied	21,842	0	21,842	23,000	15,000	
City of Melbourne - confirmed	12,000	0	12,000	0	0	
Creative Partnerships - in principle	25,000	0	25,000	0	15,000	
	<b>79,842</b>	<b>21,000</b>	<b>58,842</b>	<b>61,000</b>	<b>48,500</b>	
<b>Philanthropy:</b>						
Private Donations - Received		112,550	-112,550	106,827	151,935	
Private Donations - Target	135,000	20,000	115,000	0	0	
Trusts & Foundations - Confirmed		36,500		56,250	7,500	
Trusts & Foundations - Target	60,000	15,000		0	0	
	<b>195,000</b>	<b>184,050</b>	<b>2,450</b>	<b>163,077</b>	<b>159,435</b>	
<b>Cash Reserves: TBC</b>						
<b>Key Drivers: TBC</b>	<b>2020B</b>	<b>2019F</b>		<b>2018</b>	<b>2017</b>	
FTE staff						
Number of events - ticketed						
Number of events - free						
Attendance - ticketed						
Attendance - free						
Average ticket price						
Number of emerging composers engaged						
Number of students						
Guests artists						

## **2020 DRAFT BUDGET NOTES**

- Salaries commencing in January 2020 will be based on the new 0.31FTE arrangements, for the four FQ musicians, business manager and development manager (and includes on costs and annual leave)
- Explanation for the decrease in development expenditure compared to previous year: in 2019 the development manager's (contractor) fees were recorded under the 'Development' expense item; in 2020 this moves to salaries
- Increase in event costs in comparison to 2019 due to two new commissions in 2020 (total fees payable to composers: \$25,000), and planned coaching/professional development for FQ musicians
- Increase in marketing expenditure due to engagement of publicist to support 2020 season announcement and one of the three 2020 concert programs; also, increased filming/documentation of programs/projects
- Increased travel budget due to two Sydney performances and Tasmanian tour, commissioned composer travel (ex-Sydney), and Thibaud's flights (ex-Sydney) and accommodation
- Increase in administration budget due to transition to Xero accounting software (subscription) and investment in equipment
- The next version of this financial summary format will show cash reserves and key drivers (as indicated with TBCs, currently)