

SAPPS Music Society Treasurer

Annual Report 2020

This is my first report to you all and I would like to begin by thanking my predecessor Irene for her contribution to our fiscal wellbeing. I inherited a steady ship.

No one could have imagined what bombshells would land on the budget in 2020. What a year to begin this new work! However, while gloom initially descended on the budget, some amazing creativity by the Festival team, some excellent office management and a generous grant from The Department for Education has meant that our bottom line was not too badly smashed. All this generosity and goodwill shows just how significant a part our Festival plays in the lives of so many children and adults. There is much to celebrate.

When a new set of eyes looks at the financial aspects of the Society, there will of course be many questions about process, staffing and so on in order to get a grasp at how it all works. I want to thank Rachel Neale for her patience, understanding and replies to this toddler-like persistent questioning.

The Numbers

The Society had budgeted for an income of \$896,950 for the 2019-2020 year. Approximately \$400,000 of this income comes from ticket sales at Festival time. We would also expect approximately \$60,000 in merchandise sales which were also reduced as a result of the cancellation of the concert series. We were looking at quite a deficit.

However as mentioned above, careful management, reduction in Festival performance related costs and a grant to assist in the costs of the wonderful movie made to provide students with a performance opportunity, has meant that we ended up with a loss of only \$16,853. What a credit to our wonderful team. We looked at our staff salaries and contracts and spent considerable time getting them up to date, appropriate and acknowledging the extra work our staff do. Both Rachel and Kristin have now signed new contracts which reflect their jobs, their entitlements, and appropriate levels of pay. We did have to pay some back pay to Rachel, which has been done. We purchased a new vehicle as per our normal schedule with funds that had been set aside for this purpose. We will need to replace our Music Director's vehicle in the near future. We did have to cash in one of the Society long term deposits to ensure we could cover costs day to day, and I thank those who have had my position in the past for carefully squirrelling money away for a rainy day. That rainy day came but we are still financially secure and can hopefully rebuild over the next few years all being well. Wise decisions are being made with your money, which reflect current times and the Society's aims. Interest rates are at an all time low so we are thinking carefully before making decisions about investments.

In 2020 our new App was launched and what a blessing it was. Students and teachers were delighted with its possibilities. This has used up some capital but has been worth every cent as it is a platform of the future. Irene can confirm that there has been interest in it from other music festivals. We have always been a forward-thinking organisation and still are. Other IT upgrades have also been carried out and this year we will transfer our money management processes from MYOB to XERO which will smooth out day to day and month to month financial activities. Rachel, Irene, and I will all learn how to use it.

2021 Budget

This document is attached to this report. Budgets are fluid documents, not set in stone or inflexibly managed. This is our guiding document as a Board.

Our projected income is \$927,000 which reflects full houses at the Festival Theatre in September. If we have to have reduced numbers, we will look at live streaming concerts at a reduced cost. Affiliation Fees were increased slightly and the costs of materials went from \$16 to \$20. This will support the development of the App and Website to accommodate the provision on all songs in that format. We are no longer producing student CDs. I remember the days of records so what a journey! We continue to support our flagship SAPPS choir with payment of staff, though they are in all other ways very self-sufficient while giving so much on our behalf.

Our expected expenditure is approximately \$902,800 which will give us a small profit of approximately \$24,000. What a turnaround in a year. One significant grey area in our budget will be the costs of venue hire for this years' performances. As many of you know the Festival Theatre will be closed from July, so the team are speedily searching for an alternative.

The Gift Fund

For some time now, Rachel has been beaver away at the process for the Society to acquire Tax Deductible Gift status. To this end there is a new section added to our Constitution that sets us on the path to achieving this goal. I am grateful to Rachel for her determination and dedication to this project and ask that you support the changes we have had to make to the Constitution. This gift status will enable us to seek sponsorship and support from larger philanthropic groups and business and move our hopes and dreams forward.

MoAA

This document is due for review in 2023 so we will begin gathering evidence, developing strategies and preparing for this, during Board meetings this year. Irene's position was successfully upgraded in a review in 2020 and she has been reappointed to the position of Manager at this new level. I want to thank our Chair, Stephen Measday for his diligent, persistent efforts in this area.

Conclusion

Thanks must go to the Board of SAPP SMS for their support this year, it has been tricky, but we have all learnt a lot! Thank you especially to Rachel, who does the major work on finances with skill and dedication, to Kristen who cheerfully takes my endless calls, and to Leanne Kehl who does our MYOB management month to month. Our Auditor Ian McDonald is a long-time supporter of our Festival and I thank him for his care with our books.

To Irene, Robyn, Cathy and the team thank you for welcoming me, not just because I bring cake to Board meetings. It has been a delight to work with you and I look forward to our continuing success. The achievements of the two teams working together is mighty, memorable, life changing and ensures that singing continues to uplift our souls.

Kirsty Henning
Treasurer