



**London Symphony Orchestra Limited
(Consolidated)**

**Report and Financial Statements
For the year ended 31 July 2022**

Company Registration No. 83608

Charity Registration No.232391

London Symphony Orchestra Limited
Report and Financial Statements
For the Year Ended 31 July 2022

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London Symphony Orchestra Limited

Officers and Professional Advisers

Chair

David Alberman*

Vice-Chairs

David Jackson*

Harriet Rayfield*

Managing Director

Kathryn McDowell CBE

Other Directors

Angela Barnes*

Anthony Bloom (retired 14 October 2021)

Steve Doman* (appointed 9 May 2022)

Professor David Gann CBE (appointed 14 October 2021)

Matthew Gardner*

Richard Hardie

Niall Keatley* (retired 9 May 2022)

Maxine Kwok* (appointed 9 May 2022)

Dame Mary Marsh

Jonathan Moulds CBE

Olivier Stankiewicz*

Janis Susskind OBE

James Thomas (appointed 9 May 2022)

Ben Thomson* (appointed 9 May 2022)

** Playing Members of the Orchestra*

Company Secretary

Rikesh Shah

Company Number

83608

Charity Number

232391

Registered Office

Barbican Centre, Silk Street, London EC2Y 8DS

Bankers

Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN

Solicitors

Baker & McKenzie LLP, 100 New Bridge Street, London EC4V 6JA

Auditor

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

London Symphony Orchestra Limited

Directors' Report

Introduction

The Directors of the London Symphony Orchestra Ltd ("LSO") present their Annual Report and Financial Statements for the year ended 31 July 2022.

Administrative details

London Symphony Orchestra Ltd was established in 1904 and is a registered charity (no. 232391) and a company (no. 83608) limited by shares. Its registered office is the Barbican Centre, Silk Street, London EC2Y 8DS. Other administrative information, including the names of the Directors who served during the year and at the date of approval of this report, is set out on page 1.

Structure, Governance and Management

The LSO's governing documents comprise the Memorandum and Articles of Association and state that the objects of the Company are to promote, maintain and advance musical education and to encourage the arts of music and singing. All Members of the Orchestra are required to hold ten ordinary shares of £1 each for the duration of their membership. Any surpluses are retained by the Company to further support its objects. No dividends are paid to shareholders.

The organisation is governed by the Board of Directors who are also the Trustees of the charity. The Board comprises playing members of the Orchestra (Playing Directors) and a number of Non-Playing Directors. All Directors are elected to the Board by the Members of the Orchestra. The Playing Directors must always hold a majority on the Board, and the Chair and Vice-Chairs must be Playing Directors. The Board meets once a quarter to determine the overall strategy of the organisation and to ratify all decisions made under delegated powers.

The Board delegates the orchestral governance and decisions relating to the day-to-day operation of the Orchestra itself to the Orchestra Committee; this Committee, which comprises players and the Managing Director, meets frequently throughout the year.

The financial governance is delegated by the Board to the Finance Committee which must consist of more Non-Playing Directors than Playing Directors. The Finance Committee meets quarterly to review the management accounts and to consider other financial matters including the budget.

The day-to-day business of the LSO is managed by a staff team which reports through Heads of Department to the Managing Director.

The LSO has two wholly-owned subsidiaries, each of which has its own Board of Directors which includes representatives from the LSO Board. LSO Productions Limited operates LSO Discovery, LSO St Luke's and commercial activity including corporate sponsorships. LSO Live Limited operates LSO Live, the Orchestra's record label, and produces digital content.

Board Recruitment, Induction and Training

Playing Directors must be current members of the Orchestra and as a result, have a good understanding of the workings of the Orchestra. Non-Playing Directors are selected on the basis of their skills and experience in particular areas, including finance and business. The composition of the Board is reviewed periodically to ensure that the Board collectively possesses the skills necessary to carry out its role effectively.

Induction processes for Directors are dealt with on a one-to-one basis. These include the provision of the company's governing documents, the most recent Annual Report and Accounts, recent Board and Committee minutes, and the Diversity, Equity and Inclusion Action Plan.

Key Management Remuneration Policy

Remuneration of all staff, including key management, is set during the annual budgetary process, using benchmarks where appropriate. Key management remuneration is approved by the Finance Committee.

London Symphony Orchestra Limited

Directors' Report (continued)

The LSO's Mission, Objectives and Activities

From delivering artistic excellence on stage, in recordings, digitally and on film, to a far-reaching education and community programme, the London Symphony Orchestra's mission is to inspire hearts and minds through world-leading music-making. This mission is at the heart of everything the LSO does, and drives the following objectives:

- Striving for continued artistic excellence and creativity across all of the LSO's work, with diversity and inclusion at its heart.
- Providing the highest quality musical performances, broadcasts and recordings, and the provision of a wide-ranging, inclusive and diverse music education and community programme.
- Investing in the future of music by nurturing and developing performers and composers, in addition to encouraging people of all ages and backgrounds to participate in music themselves.
- Building the reputation and profile of the LSO at home and abroad, and engaging deeply with audiences and communities so that everyone has the opportunity to be inspired by music.
- Embracing a digital future, particularly to share the LSO's work more widely than ever before including an organisational culture of digital creativity to provide more access, insight and engagement with artists, participants and audiences.
- Developing a financially resilient and sustainable organisational and business model that enables the LSO to remain successful over the long-term.
- Continuing to explore ways in which an international symphony orchestra can be more sustainable and environmentally aware.

As the Resident Orchestra at London's Barbican Centre, the LSO regularly performs in London, throughout the UK and overseas, with its signature sound emanating from the combined virtuosity of its outstanding musicians and its family of artists, chief amongst them being Music Director, Sir Simon Rattle.

LSO Discovery, the world-leading education and community programme, connects people from all walks of life to the power of great music and its reach extends across East London, the UK and the world through both in-person and digital activity.

LSO St Luke's is an essential rehearsal and recording space for the Orchestra, home to many of LSO Discovery's projects, and also hosts a range of artistic, educational and community partners.

LSO Live, achieves worldwide reach through streaming services, broadcasts and recordings of performances and educational programmes, allowing many millions of people around the world each year to hear and engage with music of the highest quality.

Public Benefit

Directly engaging with the public is key to all aspects of the LSO's work and the Directors take particular account of the Charity Commission's guidance in this area. There is a clear focus on ensuring the widest possible access by the broadest range of people to the LSO's performances, recordings, broadcasts and its education and community work. The LSO also invests in long-term initiatives to ensure that the enjoyment of and participation in music by the public at large remains at the heart of the LSO's core activities.

Ticket prices are set with affordability for audiences in mind with various schemes such as the Wildcard, which offers tickets from £10 to a range of concerts at the Barbican, and low ticket prices for concerts for families and schools. All LSO concerts at the Barbican have £5 tickets for young people under the age of 18. The annual performance in Trafalgar Square is also free to attend whilst many performances at LSO St Luke's are free of charge or with low ticket prices. Thanks to charitable funding, LSO Discovery's activities are also largely free of charge or have a modest participation fee to contribute towards running costs.

Most of the concerts recorded during the year were available free of charge for a period of time. In addition, a significant number of concerts were broadcast on Classic FM or BBC Radio 3.

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Directors' Report (continued)

STRATEGIC REPORT

The Directors in preparing this Strategic Report have complied with section 414C of the Companies Act 2006

Orchestral Concerts

In August 2021, at the beginning of the financial year, pandemic restrictions had only recently been fully lifted but audiences were able and keen to gather at live performances once again, particularly outdoors. An early highlight was the return of the BMW Classic free concert in Trafalgar Square, conducted by Sir Simon Rattle, followed by two outdoor concerts at the Edinburgh Festival, and a concert at Snape Maltings. The BBC Prom at the Royal Albert Hall in August remained a streamed event rather than with a live audience. Nine smaller performances were also given by small ensembles and groups of musicians from the Orchestra at LSO St Luke's and other venues across London, in the Summer Shorts series.

The Orchestra was pleased to return permanently to the Barbican in September 2021 for the start of the concert season. The opening concert in the season, conducted by Sir Simon Rattle, was a traditional all-British programme with works by Julian Anderson, Michael Tippett, Judith Weir, Ralph Vaughan Williams and ending with Peter Maxwell-Davies's *An Orkney Wedding at Sunrise* with Robert Jordan on bagpipes - a new dawn.

In November 2021, in a major collaboration with EFG London Jazz Festival, the LSO joined jazz saxophonist and composer Soweto Kinch for world premiere of his new work for jazz quartet and orchestra *White Juju*, written in response to the Black Lives Matter movement, Black British history and the past 18 months of lockdown.

In March 2022, there was celebrations of the 40th anniversary of the opening of the Barbican Centre in the City of London, where the LSO has been privileged to be Resident Orchestra from day one. A special evening of music, exactly 40 years to the day since the Centre opened on 3 March 1982, began with a lively programme of performances across the Barbican foyers, celebrating the work of LSO Discovery and the creativity, education and inclusion that is at the heart of the LSO's and Barbican's artistic vision.

Music by members of the LSO's composer alumni – Ayanna Witter-Johnson and Cassie Kinoshi – formed a key part of the programme, including a specially-commissioned set of Fanfares triumphantly playing in upper levels of the Balcony, a nod to the fanfares heard across the Barbican on its opening day in 1982. The evening culminated in a jubilant performance of Haydn's glorious *The Creation*, with soloists Lucy Crowe, Andrew Staples and Roderick Williams, the London Symphony Chorus.

The LSO's family of conductors, Gianandrea Noseda, Michael Tilson Thomas, François-Xavier Roth, and Sir Antonio Pappano all returned to the Barbican during the season. The Orchestra was also delighted to welcome an impressive roster of guest conductors including Sir John Eliot Gardiner, Daniel Harding, Robin Ticciati, Kirill Karabits, Dima Slobodeniouk, Natalie Stutzmann, and Xian Zhang.

A new development was the appointment of two Associate Artists, conductors Barbara Hannigan and André J Thomas. Associate Artist is a new role created by the LSO to sit alongside the LSO's family of conductors. Associate Artists are musicians with distinct influences, quality and style that add diversity and richness to the LSO, creating their own programmes in collaboration with the Orchestra and contributing to the breadth of repertoire throughout the Season.

Both Associate Artists thrilled audiences in their first Barbican outings with the LSO with diverse, engaging programmes. Barbara Hannigan conducted programmes of music with a theatrical twist by Offenbach, Copland and Weill, in addition to conducting and singing Poulenc's *La Voix Humaine* using screens and multi-media technology, pushing at the boundaries of traditional orchestral concert presentation. Dr Thomas raised the roof with two rousing evenings of symphonic gospel and gospel choral singing with the assistance of the London Community Gospel Choir, LSO Community Choir, and two LSO Discovery Choirs and the British Gospel Arts Choir with two specialist soloists from the US, NaGuanda Nobel and Albert Lee.

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Directors' Report (continued)

A stellar line-up of Guest Soloists including singers Fleur Barron, Nicole Cabell, Dame Sarah Connolly, Magdalena Kožená, and Siobhan Stagg, pianists Imogen Cooper, Barry Douglas, Maria João Pires, and Beatrice Rana, violinists Nicola Bendetti, Alina Ibragimova, Simon Lamsma and Patricia Kopatchinskaja. Violist Antoine Tamestit and trumpeter Håken Hardenburger were the subject of Artists Portrait series, working with the Orchestra over an extended period performing in a number of Barbican concerts and curating and playing in chamber concerts in LSO St Luke's, joining the Orchestra on tour, and working with Orchestral Artistry students from Guildhall School of Music & Drama.

New music featured throughout the year with two works from Ayanna Witter-Johnson receiving performances; three movements from Julian Anderson's new Oratorio; Ondrej Adamek's extraordinary work, *Where Are You?*, for Magdalena Kožená; Mark Anthony Turnage's *A Cortege for Bernard Haitink*; and Unsuk Chin's virtuosic 2nd Violin Concerto for Leonidas Kavakos which received its world premiere.

Peppered throughout the Season, there continued to be a number of full symphonic concerts at LSO St Luke's for recording sessions with an audience, thus expanding further the library of recorded material available to audiences on streaming platforms.

The LSO deepened relationships with new UK partners this year, with two visits to Bath Forum under the auspices of the relationship with Bristol Beacon. A bonus for both concerts was the free live streaming to care homes across the UK, a joint initiative with Bristol Beacon giving a welcome musical uplift to residents in care homes across the country. The Orchestra also developed partnerships with Snape Maltings and Brighton Festival, with discussions underway regarding a new relationship in Blackpool.

Overseas touring resumed fully during the year, albeit with the combined challenges of on-going Covid restrictions at home and abroad as well as the wide-ranging implications of Brexit. The Orchestra returned to Paris, Munich, Granada, Bucharest, Hamburg, Berlin, Lucerne, Luxembourg, Frankfurt, Dortmund, Amsterdam, Baden Baden, Essen, Cologne and Antwerp, the latter group forming a new more streamlined city to city sustainable tour model, using fewer planes and more trains. Further afield, the LSO returned to the USA for a tour of California including a continuation of the Orchestra's residency at The Music Academy in Santa Barbara.

LSO Discovery

During the year, LSO Discovery's work gradually reverted to in-person sessions allowing the re-emergence of some programmes which had had to be in abeyance during the pandemic due to the need to keep participants safe. A full programme was delivered ranging from work with the community, young instrumentalists, composers, schools concerts and concerts for families.

The LSO concert celebrating the Barbican Centre's 40th anniversary was a particular highlight with pre-concert performances in the foyers showcasing performers of the future. Musicians from the LSO East London Academy programme, the Guildhall Masters in Orchestral Artistry and Hackney's Classical Meets Jazz bespoke ensemble all took part. The LSO Create group, comprising adults with learning disabilities, shared their work in a pre-recorded performance which was streamed into the foyers.

In May 2022, live Key Stage schools concerts returned after two years, with over 5,500 school children welcomed back to the Barbican over the course of a week, and a full season of live Family Concerts was also delivered. New digital concerts and resources were developed for young people and schools, including a digital version of *How To Build an Orchestra* with Sir Simon Rattle, to be released in the 2022-23 season.

LSO Discovery collaborated with Queen Mary University of London towards orchestral audio-visual recordings of two suites based on *Alice in Wonderland* and *Alice Through the Looking Glass* by Paul Rissmann. The project, which was funded by the Arts and Humanities Research Council, will include a substantial research angle, as well as live versions of the concert for Families and Schools in Autumn 2022.

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Directors' Report (continued)

In support of the LSO's international and regional partners, players contributed to an online concert in partnership with the LSO's Japanese agent Kajimoto and sponsor TDK, with young musicians performing from Japan after a series of remote coaching sessions by LSO players. In April 2022, Rachel Leach and Tim Yealland led creative workshops based on Strauss' *Till Eulenspiegel* with various community groups in Dortmund supporting the Konzerthaus' Community music programme. A small group of LSO players travelled to take part in the performance by the Brighton and East Sussex Youth Orchestra, a first step in developing a new relationship with the local Music Hub and supporting the engagement of young people around the visits by the Orchestra. Work is underway to develop similar partnerships with hubs in Blackpool and Bristol.

In LSO On Track, the LSO East London Academy showcase at LSO St Luke's in November 2021 was the first time this cohort of young people had performed together as a full chamber-sized orchestra. Former members of the Academy have obtained places at Junior Trinity as well as Junior and Senior Guildhall, paying tribute to their talent and the support given by LSO members and staff. LSO On Track Next Generation resumed with young people creating their own work led by Andy Grappy, performing in the Barbican foyers ahead of the Gospel concert. LSO On Track young musicians also took part in the premiere of Ayanna Witter-Johnson's *FAIYA!* as part of the BMW Classics concert in Trafalgar Square.

The Community Programme welcomed families from Islington as well as Afghan refugee families to musical storytelling concerts for Families with Under 5s. A 6-week project in Betty Brunker Community Hall reached new families with children under 5 in Islington. Vanessa King also delivered a live performance of *Jemma's Journey*, for Under 5s which has been filmed for public release to nurseries, children's centres and families.

Another project, LSO Connect, was developed in 2021 to support inter-generational music-making in the local community. Over four-weeks, a group of older adults from the St Luke's Community Centre, led by Rachel Leach, created a new piece together with Year 5 pupils from St. Luke's Primary School. Young people in the LSO Discovery Choirs took part in the LSO Sing Stars concert in March at LSO St Luke's, as well as the *Lift Every Voice* conducted by André J Thomas, alongside the London Community Gospel choir and members of the singing community.

Following a record number of applications, six new composers were welcomed to the LSO Panufnik Composer's scheme. The previous six Panufnik composers had their pieces workshopped by the Orchestra and Francois-Xavier Roth, resulting in a 10-minute commission being awarded to Christian Drew and a 5-minute commission awarded to Stef Connor. LSO St Luke's was the home of two Jerwood Composer+ Showcases in the Autumn, curated by Des Oliver, featuring a programme entirely by Black-British composers, and Hollie Harding, who focused on the themes of ecology and the environment.

During the year, 30 students from the LSO's Guildhall Masters in Orchestral Artistry took part in a programme of orchestral coaching, masterclasses, composer workshops, mock auditions as well as Discovery workshops. Students on the String Experience also had a successful year, with some members of the cohort being invited to play in the Orchestra outside of their time on the scheme.

In April 2022, 15 LSO string players delivered a special Discovery lunchtime concert in tribute to the people of Ukraine. LSO musicians waived their fee and were joined by Lauri Porra (Sibelius' great-grandson) on electric bass for one of his pieces. Ukrainian composer Bodhana Frolyak made a special arrangement of her sumptuous *Lux Aeterna*. This concert not only had the biggest live Lunchtime concert audience since the pandemic, but also raised funds in support of the DEC Ukrainian Humanitarian crisis.

LSO St Luke's

Due to the on-going uncertainty caused by the pandemic, use of LSO St Luke's was prioritised for rehearsals, performances and recordings by the Orchestra. As described above, also LSO Discovery resumed activity in the venue and other activity included BBC Radio 3 lunchtime concerts and a series of music lectures delivered by Gresham College.

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Directors' Report (continued)

In January 2022, LSO St Luke's hosted a concert by Tangram, an artist collective who creatively celebrate Chinese cultures and heritage through music. Tangram have since been announced as Associate Artists of LSO St Luke's, a relationship involving two events in each of the next three seasons, and Tangram's fresh and imaginative programming has led to full houses at LSO St Luke's. Similar relationships with other artistic partners are being developed.

LSO St Luke's was increasingly also used as a venue for orchestral audio recordings with positive client feedback, and investment in infrastructure has helped to create a much-needed additional facility for the music industry in London. The building also hosted a small number of commercial events including weddings, conferences and other artistic hires.

Towards the end of the financial year, the headlease for the building, other assets and cash were transferred from an independent charity, St Luke Centre Management Company Ltd, to the LSO. That charity had been responsible for the major redevelopment of the building some 20 years ago and subsequent care of the fabric of the building. Following a review, its Board decided to transfer the lease and other assets to the LSO as the long-term occupier of the building. The LSO now takes full responsibility and control over the long-term upkeep of the building which is a key asset in supporting the objectives of the Orchestra and LSO Discovery.

LSO Live

As the media arm of the LSO, LSO Live continued to play a central role in the capture and dissemination of performances ensuring that the Orchestra's work is enjoyed by as many people as possible. Working with broadcast partners continued to enable greater worldwide access to the LSO's performances including the partnership with Marquee.tv which delivered 10 new programmes to their service, a digital residency on Takt 1 and a pilot project with the new European platform, Symphony.live. The total reach of streaming, broadcast and downloads over the year was in excess of 100 million.

The recording label released several recordings, including the continuation of the Shostakovich symphony cycle; Bernstein's *Candide* – placed as one of the National Album Day titles; and the Mozart Wind Concertos album which to date has been streamed over 2.5 million times on Apple. A particular highlight was the Stravinsky Ballets conducted by Sir Simon Rattle which delivered the most successful physical sales for over three years, and achieved excellent critical acclaim including Radio 3's Album of the Weekend and a Diapason d'Or in France.

The publishing partnership with Hachette continued to grow, with *How to Build an Orchestra* achieving its seventh language translation, and securing a second collection of books due to launch in Spring 2023.

Third Party Recordings

Recordings by the Orchestra for commercial clients returned to pre-Covid levels and achieved international impact. Collaborations included a specially-commissioned performance of Tchaikovsky's *Sleeping Beauty* ballet for Audible, recordings with Troy Miller for Diana Ross's first studio album in 15 years (*Thank You*) and a follow-up Deutsche Grammophon album with the pianist Seong-Jin Cho of Chopin's Piano Concerto No 2 (having previously joined him for Piano Concerto No 1 on his debut album in 2016). In addition, the collaboration with Floating Points and the late Pharoah Sanders in the previous year was shortlisted for the prestigious 2021 Mercury Music Prize.

The Orchestra's reputation in film soundtracks continues, performing on Alexandre Desplat's score for *The Lost King*, as well as working with film director Todd Field and cellist Sophie Kauer on a performance of Elgar's Cello Concerto for the upcoming film *Tár*. Similarly, video game music plays an important role in the output of the Orchestra, having worked with Austin Wintory to celebrate 10 years since his score to the *Journey* game by recording a newly-orchestrated *Traveller Symphony* at LSO St Luke's.

Several non-classical recordings had global impact including a recording at LSO St Luke's with the US-based Vietnamese pianist Quynh Nguyen, of a new Piano Concerto by Paul Chihara, specially commissioned to commemorate the 25th anniversary of diplomatic relations between the US and Vietnam.

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Directors' Report (continued)

Soundtrack recordings were also produced for the new Genshin Impact : Chapter 3 video game. A special performance of some Genshin Impact music was also filmed at Alexandra Palace in the same way as for another 10th anniversary celebration for The Elder Scrolls V : Skyrim which was released in November 2021. To date, the two videos have amassed over 4 million YouTube views between them.

Partnerships

The LSO's success across the activities describe above is made possible by the strong partnership with the City of London Corporation and Arts Council England. The LSO is hugely grateful for their significant investment and ongoing commitment. This funding, combined with support from the private sector, ticket sales, and commercial income from recordings and other engagements, is vital for the LSO to achieve its mission and generate the scale of public benefit set out in this report.

The LSO continues to invest heavily in nurturing, developing and sustaining relationships with key stakeholders, and is fortunate to have partners and donors who share the LSO's vision and underpin the Orchestra's successes. An important example is the support of Principal Partner, BMW, which allowed the BMW Classics open-air concert in Trafalgar Square to reach unprecedented online audiences, building on an enthusiastic in-person response, which included many attendees who had not previously experienced a live classical music concert.

The generous philanthropy of individuals continues to grow and the work of LSO Discovery received vital support from a large number of charitable trusts and foundations, as well as from a number of individuals. Many individuals supported the Always Playing Appeal, which will assist the LSO to navigate the serious economic challenges ahead. Funds raised from this appeal were received by the LSO Endowment Trust and will be granted to the LSO over coming years.

The LSO's Board and Members remain extremely grateful to all those companies, individuals and charitable trusts who provide funding and without which the Orchestra could not achieve the full scale of its ambitions. A list of acknowledgements is set out towards the end of this report, in recognition of this invaluable support.

Diversity, Equity and Inclusion

The LSO believes firmly in the value and importance of supporting and promoting diversity, equity and inclusion (DEI) in everything that it does, and it expects all those that work with the LSO in any capacity to support this approach. By promoting and supporting DEI, the LSO's work becomes immeasurably stronger through innovation, new ideas and consideration from different perspectives. It enables the widest range of people to access, benefit from, and contribute to the LSO's work, and it creates an inclusive culture which values and celebrates difference.

As an international leader in its sector, the also LSO recognises the role and responsibility that it has to champion DEI and set an example in this area. In both the activity that the LSO delivers, and the people that deliver it, the LSO seeks to ensure that DEI is a central element of its ethos. This commitment is key to ensuring that the LSO remains relevant and reflective of wider society now and into the future.

The LSO's DEI Policy and Action Plan, which was adopted by the LSO Board in early 2021 and outlines clear objectives, actions and KPIs across all areas of the LSO's activity and people for the period to July 2023. Substantial progress was made during the year across a range of areas as described below.

Within the LSO's main concert season at the Barbican, half of 21st century works featured were by female composers or composers from Black, Asian or Ethnically Diverse backgrounds, including works by Hannah Kendall, Unsuk Chin, Helen Grime and Dani Howard. As noted earlier, a particular highlight was the world premiere of Soweto Kinch's *White Juju*, commissioned by the LSO and Serious. In April 2022, the LSO presented *LSO Futures*, a concert of world and UK premieres by emerging and established contemporary composers, including the world premiere of a new Trumpet Concerto by Helen Grime – an alumna of the LSO Panufnik Composers Scheme.

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Directors' Report (continued)

The appointments of Barbara Hannigan and Dr André J. Thomas as LSO Associate Artists demonstrate the desire and benefits of greater diversity amongst the LSO's family of named conductors and artists. A key role of the Associate Artists is to undertake a series of extended projects with the Orchestra, exploring a diverse range of repertoire which enriches and broadens the LSO's programme. The first example of this, led by Dr Thomas, was programme of African-American gospel pieces and spirituals involving the full Orchestra, soloists NaGuanda Nobles and Albert Lee, the London Community Gospel Choir, British Gospel Arts Choir, LSO Community & Discovery Choirs, and the London Symphony Chorus.

LSO St Luke's also showcased an increasingly diverse programme throughout the season including the performances curated by Black composer Des Oliver (exploring the music and experiences of British-based Black composers from the African diaspora), female composer Hollie Harding, and the partnership with the Tangram Music Collective, who presented a programme of Chinese and Western musical collaborations.

Throughout the year, each Friday Lunchtime Concert (all of which were free to attend) included at least one work by a female composer, disabled composer, or Black, Asian or Ethnically Diverse composer. A number of Relaxed Performances also took place; these were designed to be fully inclusive and accessible for people with autism, sensory and communication impairments and learning disabilities.

LSO Discovery's programme also continued to provide creative opportunities for people with specific protected characteristics. The LSO East London Academy involved 40 participants of whom 72% were from Black, Asian or Ethnically Diverse backgrounds. LSO Create and the LSO Musical Inclusion programme provided a range of music activities for adults and young people with learning disabilities. As a new area of the LSO's work, LSO Connect provided intergenerational opportunities for older adults and school children, working in partnership with the Golden Lane Community Centre, St Luke's Community Centre and St Luke's Primary School.

Activities were also undertaken to increase the diversity of the LSO's people, and to increase understanding of this area. Two Board Members and ten Members of the Orchestra were appointed as Diversity Champions, with specific responsibility for championing and promoting DEI. All Board Members, Orchestra Committee Members, Diversity Champions and staff members received unconscious bias training, and this will be extended to all Members of the Orchestra in the year ahead.

Continuing to increase diversity, equity and inclusion across all areas of the organisation will remain a priority for the LSO over the coming years, ensuring that the LSO becomes more reflective of the diverse London communities in which it works.

Achievements against objectives

As the report above demonstrates, the LSO delivered a full range of activity of the highest quality despite the on-going challenges and uncertainty of the pandemic and its aftermath. Key achievements included the following:

- A full season of performances at the Barbican Centre, working with a diverse range of conductors, composers and soloists during the year.
- Encouraging audiences to return to live performances, with attendance increasing through the season and a high proportion of people attending for the first time.
- The resumption of a series of overseas engagements, which were all completed successfully despite the challenges of pandemic restrictions and additional administration when travelling to Europe.
- Continued use of LSO St Luke's for rehearsals and recordings, with a return of other artistic projects and use by LSO Discovery.
- LSO Discovery made the transition back to in person delivery of its portfolio of projects, providing inspiring musical opportunities and experiences to people of all ages and backgrounds.
- LSO Live released a number of new recordings and delivered high quality streaming and broadcasts of many of the Orchestra's performances during the year.

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Directors' Report (continued)

- A busy schedule of recordings for external partners, providing additional work and income for the LSO's musicians.
- Further significant progress in implementing the LSO's Diversity, Equity and Inclusion Plan with across the full breadth of the organisation's work.

Financial Review

Income for the Group was £21.1m (2020/21: £11.8m), reflecting the return to a full programme of activity as well as additional funding in response to pandemic. Expenditure increased to close to pre-pandemic levels to £18.3m (2020/21: £12.2m) in line with the resumption of a full season of concerts in London, international engagements alongside other activity.

High levels of uncertainty regarding the on-going impact of the pandemic meant that a cautious approach was taken in setting the budget for 2021/22 and in the management of the finances during the year. There was significant pressure on income streams such as box office income, due to the slow return of audiences, although the impact of this was mitigated by further emergency funding from the Cultural Recovery Fund.

The vast majority of planned activity was completed as intended including all scheduled international tours, albeit often with additional costs to minimise the risks of Covid infections amongst the LSO's personnel, and increased administration when travelling to Europe. Importantly, various risks to activity and income either did not materialise or were successfully mitigated to limit their impact.

Some income, including the assets granted by St Luke Centre Management Company Ltd, were designated by the Board into specific funds as explained in Note 1 and Note 31 to the accounts. These funds are held for specific purposes, including the funding of strategic initiatives and potential deficits in the future, particularly to support the LSO's recovery from the pandemic.

The net surplus on Unrestricted General Funds was £398,000, reflecting the combination of operating income, emergency funding and careful control of costs. This allowed the total value of Unrestricted General Funds carried forward to increase from £3.8m to £4.3m, broadly the level held before the pandemic.

Given the extremely uncertain and challenging circumstances following the slow emergence from the pandemic, the overall financial outturn was satisfactory. Importantly, continued generosity of donors and other funders, as well as emergency government funding, allowed the LSO to sustain a meaningful level of work and earnings for the Members of the Orchestra.

The balance sheet and cash position also remains sound, although the combined challenges of recovery from the pandemic and global economic difficulties mean that significant deficits are expected in coming years.

Reserves

In accordance with best practice and Charity Commission guidance, the LSO maintains reserves in order to provide for contingencies that may arise in the future. This is particularly necessary given the dependence on a number of variable income streams including box office sales, income from tours, donations and sponsorship and the adverse impact on all of these, as well as the on-going impacts of the pandemic, Brexit and wider economic uncertainty.

For the purposes of this policy, the Directors define free reserves to be unrestricted funds, excluding fixed assets, which have not been designated for specific purposes. The LSO's policy is to set a target range for reserves of between three and six months' core costs associated with keeping the Orchestra's main Barbican season and LSO Discovery programme operating at a viable level.

On this basis, the Directors have set a target range for free reserves of between £2.5 million and £5 million, based on pre-pandemic levels of activity. The free reserves at 31 July 2022 were £2.5m (2021: £2.1m) which is at the bottom of the target range. Given the on-going financial challenges expected over coming years, the priority is to continue to stabilise the financial position and then to build up reserves over time.

London Symphony Orchestra Limited

Directors' Report (continued)

Plans for the future

The LSO will continue its broad range of activities, with a full programme of activity planned for 2022/23 including the season of concerts at the Barbican, partnerships in the UK and engagements overseas. LSO Discovery will continue its multi-faceted programme of education and community work, and LSO St Luke's will host additional events in addition to its role as the Orchestra's base when it is not at the Barbican and the home of LSO Discovery. LSO Live will continue to develop and distribute audio and audio-visual recordings and broadcasts, including in partnership with commercial partners.

Other priorities include further implementation of the Diversity, Equity and Inclusion Plan and to deepen the LSO's engagement with audiences, communities and the wider public. Implementation of the LSO's Environmental Action Plan will also progress to reduce the environmental impact of the LSO's work over coming years.

Principal Risks and Uncertainties

A risk register is reviewed and updated by Heads of Department on a regular basis and the Finance Committee reviews key risk areas periodically. Through this process, the major risks to which the Company is exposed have been reviewed and procedures have been established to mitigate the impact of those risks.

The major risks facing the group, are the on-going and long-term impacts of the pandemic on operations and finances; possible outbreaks of Coronavirus infections amongst LSO personnel; the impact of economic difficulties in the UK and globally; the impact of significant increases in the cost of living for the LSO's personnel; the on-going impact of Brexit on operations and finances; and inability to raise sufficient commercial and private sector funds. Plans and processes are in place to manage and mitigate these and other risks as far as is practical.

Going Concern

The LSO benefits from the ongoing commitment of its core funders, with funding from Arts Council England confirmed through to March 2026 and funding confirmed from the City of London Corporation until March 2024. A number of sponsorship and other funding agreements are in place, for varying periods beyond the balance sheet date.

In addition to public funding, the LSO has a diversified range of other income streams and aims to be not critically dependent on any other single organisation for funding. These other income streams are gradually rebuilding following the pandemic with a number of international residencies and engagements planned over the coming 2 years as well as residencies within the UK.

There remain a number of significant financial challenges in the years ahead, and the LSO is implementing plans to respond to the changed economic and funding environment and to ensure that the organisation is thriving, successful, relevant and resilient in the decade ahead. It is likely that significant operating deficits will be incurred over the next 2-3 years; however, additional government support and drawdowns from the LSO Endowment Trust of funds raised from the Always Playing Appeal will fund these deficits until a balanced financial model is restored.

Taking all these factors into account, and having reviewed future cash flow projections, the Directors believe that the LSO is able to manage its business and financial risks and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Fundraising Approach and Performance

The LSO subscribes to principles of fundraising best practice by committing to high standards, and being clear, honest, open, respectful, fair and reasonable, and accountable and responsible. The LSO is registered with the Fundraising Regulator and adheres to the standards of the Code of Fundraising Practice. No complaints were received about the LSO's fundraising practices in the current year.

London Symphony Orchestra Limited

Directors' Report (continued)

Acknowledgements

The Board of the LSO would like to express its deep thanks and appreciation to the people and organisations whose vital support underpins the activities of the Orchestra. Primary amongst these are:

- Arts Council England and the City of London Corporation, who continue to support the LSO's London work so positively;
- Donors to the LSO Always Playing Appeal, which supports the LSO's recovery from the coronavirus pandemic, in particular lead donors Alex and Elena Gerko;
- The Orchestra's Principal Partner: BMW; Corporate Sponsors: Baker McKenzie, abdrn, DnaNudge, the Financial Times, National Bank of Greece, Yamaha, and all other Corporate Supporters;
- Trusts and Foundations including major supporters Art Mentor Foundation Lucerne, The Helen Hamlyn Trust, Garfield Weston Foundation, Jeremy and John Sacher Charitable Trust, Jerwood Arts and The Henocq Law Trust, as well as the many other supporters of LSO Discovery;
- LSO Major Donors, Patrons and Friends;
- The LSO Advisory Council, the LSO Development Board, the LSO Endowment Trustees and supporters of the American LSO Foundation;
- St Luke Centre Management Company.

The Board is also appreciative of the deep commitment of the LSO's members and dedicated staff to maintaining its standing as a world-class orchestra, and the exceptional efforts of everyone during the pandemic to sustain the organisation.

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of the information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Directors' Report, incorporating the Strategic Report, was approved by the Board of Directors and signed on behalf of the Board.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

London Symphony Orchestra Limited

Directors' Report (continued)

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



David Alberman
Chair

14 December 2022

London Symphony Orchestra Limited

Independent Auditor's Report to the Members of London Symphony Orchestra Ltd

Opinion

We have audited the financial statements of London Symphony Orchestra Limited for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

London Symphony Orchestra Limited

Independent Auditor's Report to the Members of London Symphony Orchestra Ltd (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Directors' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 15, the Directors (who are the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

London Symphony Orchestra Limited

Independent Auditor's Report to the Members of London Symphony Orchestra Ltd (continued)

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to recording income and charitable activities in the correct accounting period and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year;
- Reviewing debtor recoverability post year end.
- Reviewing post balance sheet events.
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Weaver (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 19 December 2022

London Symphony Orchestra Ltd

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
Year ended 31 July 2022

		2022	2022	2022	2022	2021
		Unrestricted	Designated	Restricted	Total	Total
		funds	funds	funds	funds	funds
Note		£000	£000	£000	£000	£000
Income from:						
Donations, grants and legacies	6	5,225	1,091	1,563	7,879	7,109
Charitable activities	7	10,197	-	144	10,341	3,632
Other trading activities	9	450	-	-	450	44
Investment income	10	1	-	-	1	-
Other	11	1,252	1,174	16	2,442	980
Total income	5	17,125	2,265	1,723	21,113	11,765
Expenditure on:						
Raising funds		1,147	-	-	1,147	1,036
Charitable activities		15,673	30	1,488	17,191	11,204
Total expenditure	12	16,820	30	1,488	18,338	12,240
Net expenditure	15	305	2,235	235	2,775	(475)
Transfers between funds		(13)	-	13	-	-
Other recognised losses						
Currency exchange losses		(14)	-	-	(14)	(67)
Net movement in funds		278	2,235	248	2,761	(542)
Reconciliation of funds						
Total funds brought forward		3,788	1,547	219	5,554	6,096
Total funds carried forward		4,066	3,782	467	8,315	5,554

As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities of the Company is not presented as part of these financial statements. The net surplus of the Company was £2,691,000 including the donation of a subsidiary company's profit.

There were no recognised gains or losses other than the net movement in funds for the year. All income and expenditure derive from continuing activities.

The notes on pages 20 to 40 form part of these accounts.

See Note 3 for the comparative Statement of Financial Activities analysed by funds.

London Symphony Orchestra Ltd

Consolidated and Charity Balance Sheet

As at 31 July 2022

		Group		Charity	
	Note	2022 £000	2021 £000	2022 £000	2021 £000
Fixed assets					
Tangible assets	17	2,424	1,855	2,260	1,662
Investment assets	18	-	-	-	-
Total fixed assets		2,424	1,855	2,260	1,662
Current assets					
Stock	19	520	518	-	-
Debtors: amounts falling due within one year	20	4,758	4,285	4,415	4,083
Cash at bank		3,765	2,676	3,476	2,498
Total current assets		9,043	7,479	7,891	6,581
Current liabilities					
Creditors: amounts falling due within one year	21	(3,152)	(3,780)	(1,868)	(2,651)
Net current assets		5,891	3,699	6,023	3,930
Total net assets		8,315	5,554	8,283	5,592
Total funds	23				
Unrestricted funds		4,066	3,788	4,281	3,859
Designated funds		3,782	1,547	3,782	1,547
Restricted funds		467	219	220	186
Funds carried forward		8,315	5,554	8,283	5,592

The notes on pages 20 to 40 form part of these accounts.

Approved by the Board on 14 December 2022 and signed on its behalf by:



D Alberman
Chair



K McDowell
Managing Director

London Symphony Orchestra Ltd

Consolidated and Charity Statement of Cash Flows Year ended 31 July 2022

	Note	Group		Charity	
		2022 £000	2021 £000	2022 £000	2021 £000
Cash from operating activities	A	1,889	(1,560)	1,732	(1,701)
Cash flows from investing activities					
Bank interest		1	-	1	-
Purchase of fixed assets		(801)	(218)	(755)	(162)
Increase / (decrease) in cash and cash equivalents in the year		1,089	(1,778)	978	(1,863)
Cash and cash equivalents at the beginning of the year		2,676	4,454	2,498	4,361
Total cash and cash equivalents at the end of the year		3,765	2,676	3,476	2,498
Reconciliation to cash at bank and in hand:					
Cash at bank and in hand		3,420	2,331	3,131	2,153
Short-term deposits		345	345	345	345
		3,765	2,676	3,476	2,498
A Reconciliation of net movement in funds to net cash flow from operating activities					
Net movement in funds		2,761	(541)	2,691	(532)
Net depreciation charge		232	207	157	133
Bank interest		(1)	-	(1)	-
Decrease/(increase) in stock		(2)	131	-	-
Increase in debtors		(473)	(2,171)	(332)	(1,861)
(Decrease)/Increase in creditors		(628)	814	(783)	559
Net cash from operating activities		1,889	(1,560)	1,732	(1,701)

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice this restriction has not had any effect on the cash flow for the year.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Charities SORP 2015 (FRS 102) and the Companies Act 2006.

The London Symphony Orchestra Ltd is a Public Benefit Entity. It is a registered company in England & Wales (company number 83608 and charity number 232391).

The Group Financial Statements consolidate the results of the charitable company and its subsidiaries for the year ended 31 July 2022 after elimination of intra-group transactions.

b) Preparation of accounts on a going concern basis

The Directors have considered the financial and other risks facing the Group, including those arising as a result of Covid-19, and have assessed the Group's ability to operate as a going concern including reviewing the financial position and forecasts, reserves levels and future plans. Following this assessment, the Directors are confident that there is no material uncertainty that the charity and Group's ability to remain as going concerns, will continue for the foreseeable future.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. Ticket income and other income are stated net of Value Added Tax and consist primarily of ticket sales together with sales of other goods and services. Revenue from ticket sales is recognised at the time of the performance.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Investment income and interest receivable are recognised on an accruals basis.

Government grants relating to revenue are recognised in the income and expenditure statement over the

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

1 Accounting policies (continued)

d) Expenditure

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds. Costs of charitable activities include expenditure associated with the performance of concerts and educational programmes and include both the direct costs and support costs relating to these activities. Governance costs are a sub-section of support costs and include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. Support costs which include the central functions such as employee-related costs, premises and facilities, communications and information technology and other general management, are allocated across the categories of charitable expenditure and the costs of generating funds. The basis of the cost allocation is explained in Note 12.

e) LSO Live acting as an agent

LSO Live operates through a subsidiary company, LSO Live Ltd. Its operations include providing services relating to the distribution and marketing of recordings for external parties on a commercial basis. When providing such services, LSO Live acts as agent for its client rather than as principal. Accordingly, no transactions or balances relating to this particular activity are included in the financial statements other than the commission earned by LSO Live in its capacity as agent.

f) Foreign currencies

Assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Foreign currency gains and losses are recognised in the Statement of Financial Activities.

g) Funds

The General Fund is a general unrestricted fund and represents funds which are expendable at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Directors have established a Designated Fund, the purpose of which is to fund strategic initiatives and potential operating deficits in coming years, particularly to support the LSO's recovery from the Covid-19 pandemic.

Restricted funds are subject to specific restrictions imposed by the donors and these funds are therefore not available for the Directors to apply at their discretion. The purpose and use of the various restricted funds is set out in Note 25.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

1 Accounting policies (continued)

h) Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. At each reporting date fixed assets are assessed for impairment. If an asset is impaired the carrying amount is reduced to its fair value and the loss is recognised immediately. Depreciation is charged at rates calculated to write off the cost of each asset over its expected useful life on a straight-line basis as shown below:

Property lease	- 5 years
Land and buildings	- 15 years
Motor vehicles	- 4 years
Instruments and music scores	- 10 years*
Fixtures, fittings and equipment	- 3-10 years

A full year of depreciation is charged in the year of purchase.

* Over £800,000 has been invested in high-value string instruments which have not been depreciated because the Directors are of the opinion that the net residual value is at least equal to the original cost.

i) Investments

In the parent charity balance sheet investments in subsidiary undertakings are measured at cost less impairment.

j) Stocks and work-in-progress

Stocks of CDs are held at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. At each reporting date inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell and the impairment loss is recognised immediately.

Development costs, representing the costs of recordings which are under way or have been completed but have not yet been released for sale, are held in the balance sheet and the costs charged to the Statement of Financial Activities in line with expected revenues for the recording.

k) Financial instruments

During the year the charity had financial assets and financial liabilities of a kind that qualify as other financial instruments, being forward contracts for the sale of foreign currencies. These were redeemed during the year.

l) Leases

Rentals paid under operating leases are charged on a straight-line basis over the lease term.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

1 Accounting policies (continued)

m) Pension scheme

The company makes employer contributions to the LSO Group Personal Pension Plan underwritten by Aegon and to other personal pension schemes held by members of staff. These are individual money purchase arrangements owned by the employees. The pension cost charge represents contributions payable to the scheme. The company's liability is limited to the amount of the contribution.

n) Group financial statements

The Group Financial Statements consolidate the results of the charitable company and its subsidiaries for the year ended 31 July 2022 after elimination of intra-group transactions.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Directors do not consider that there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

As explained in Note 31, the Headlease for LSO St Luke's was transferred to London Symphony Orchestra Ltd during the year. This lease, which runs until March 2176, gives the right to occupy the building but also places responsibility on the LSO to keep the building in good repair throughout the lease term. Given the particular nature of the building and terms of the lease, placing a value on the lease involves a number of assumptions and judgements. Following a detailed review, the value has been placed on the lease of £585,000 representing the estimated net present value of the benefit of use of the building less the costs of keeping it in repair. This value will be amortised over 5 years beginning in 2022/23, as the majority of the value of the lease relates to this period.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

3 Comparative Statement of Financial Activities

	2021 Unrestricted funds £000	2021 Designated funds £000	2021 Restricted funds £000	2021 Total funds £000
Income and endowments from:				
Donations and legacies	6,150	-	959	7,109
Charitable activities	3,508	-	124	3,632
Other trading activities	44	-	-	44
Investment income	0	-	-	-
Other	743	-	237	980
Total income	10,445	-	1,320	11,765
		-		
Expenditure on:				
Raising funds	1,036	-	-	1,036
Charitable activities	9,630	-	1,574	11,204
Total expenditure	10,666	-	1,574	12,240
Net income	(221)	-	(254)	(475)
Transfers between funds	20		(20)	-
Currency exchange (losses)	(67)		-	(67)
Net movement in funds	(268)	-	(274)	(542)
			-	
Reconciliation of funds				
Total funds brought forward	4,056	1,547	493	6,096
Total funds carried forward	3,788	1,547	219	5,554

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

4 Subsidiary companies' trading activities

London Symphony Orchestra Ltd owns the whole of the share capital of LSO Productions Limited which operates LSO Discovery, LSO St Luke's and corporate sponsorship activity. Its taxable profit is donated to London Symphony Orchestra Ltd. London Symphony Orchestra Ltd also owns the whole of the share capital of LSO Live Limited which manages all aspects of the LSO Live recording label and other media activity. Its taxable profit is also donated to London Symphony Orchestra Ltd.

The trading results of the two subsidiaries and their assets, liabilities and funds at the year end are summarised below.

	LSO Productions Ltd		LSO Live Ltd	
	2022	2021	2022	2021
	£000	£000	£000	£000
Turnover	10,989	5,803	1,135	1,379
Cost of sales	(12,098)	(5,464)	(1,021)	(1,134)
Gross profit/(loss)	(1,109)	339	114	245
Less: Administration Expenses	(1,171)	(1,067)	(113)	(113)
Operating profit/(loss) for the year	(2,280)	(728)	1	132
Corporation Tax relief	2,346	716	-	-
Less: Donation to parent charity	-	-	(1)	(132)
Retained Profit/ (Loss) for the year	66	(12)	-	-
Assets	2,920	2,107	1,229	956
Liabilities	(2,905)	(2,158)	(1,217)	(944)
Net Funds	15	(51)	12	12

5 Group income analysis

	by Source of Funds		by Location of Activity	
	2022	2021	2022	2021
	£000	£000	£000	£000
United Kingdom	14,608	9,468	19,337	10,461
Europe	4,524	2,019	889	1,305
Asia	290	52	-	-
Latin America	-	76	-	-
USA	1,691	151	887	-
	21,113	11,765	21,113	11,765

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

	2022	2021
	£000	£000
6 Income from donations, grants and legacies		
Arts Council England core grant	2,242	2,247
Arts Council England Cultural Recovery Fund grants	623	937
City of London Corporation core funding	1,975	1,975
City of London Corporation other funding	-	13
St Luke Centre Management Company grant	1,091	-
LSO Endowment Trust grants	263	650
Grants for LSO Discovery	499	296
Sponsorships and donations	1,186	991
Total income from grants and donations	7,879	7,109
7 Income from charitable activities		
LSO Concerts at the Barbican	1,252	136
Engagements	6,318	2,146
LSO Live	874	973
LSO St Luke's - Artistic	257	113
LSO Discovery	686	163
Sponsorships	954	101
Total income from charitable activities	10,341	3,632
8 Income from engagements		
Overseas Residencies, Tours and Partnerships	4,596	1,309
UK Residencies, Concerts and Partnerships	373	284
Third-Party Recordings	1,348	553
Total income from engagements	6,318	2,146
9 Income from other trading activities		
LSO St Luke's - Commercial	450	44
Total income from trading activities	450	44
10 Income from Investments		
Bank interest received	1	-
Total investment income	1	-
11 Other income		
Other Income	2,442	980
Total other income	2,442	980

Other income primarily comprises Orchestra Tax Relief, including amounts receivable at a temporary higher rate since October 2021.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

12 Analysis of group expenditure

	Staff and Direct Costs	Allocated Support Costs	Total
	2022	2022	2022
	£000	£000	£000
Costs of raising funds:			
Voluntary income	565	326	891
St Luke's - Commercial	204	52	256
	<u>769</u>	<u>378</u>	<u>1,147</u>
Costs of charitable activities:			
Barbican concerts	6,399	412	6,811
Engagements	6,389	337	6,726
LSO Live	1,117	130	1,247
LSO St Luke's - Artistic	168	208	376
LSO Discovery	1,705	326	2,031
	<u>15,777</u>	<u>1,414</u>	<u>17,191</u>
Total group expenditure	<u>16,546</u>	<u>1,792</u>	<u>18,338</u>
	2021	2021	2021
	£000	£000	£000
Costs of raising funds:			
Voluntary income	338	289	627
St Luke's - Commercial	185	224	409
	<u>523</u>	<u>513</u>	<u>1,036</u>
Costs of charitable activities:			
Barbican concerts	2,395	370	2,765
Engagements	5,040	303	5,343
LSO Live	1,216	160	1,376
LSO St Luke's - Artistic	103	96	199
LSO Discovery	1,200	321	1,521
	<u>9,954</u>	<u>1,250</u>	<u>11,204</u>
Total group expenditure	<u>10,477</u>	<u>1,763</u>	<u>12,240</u>

Staff and direct costs are allocated on an actual basis to each area of activity. Support costs consist of staff costs, overheads and governance costs. Staff costs and overheads are allocated based on an assessment of the time spent by each department in supporting various activities.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

13 Analysis of support costs

	Raising funds 2022 £000	Charitable activities 2022 £000	Total 2022 £000
Staff costs	106	397	503
Other overheads	272	1,017	1,288
	<u>378</u>	<u>1,414</u>	<u>1,792</u>
	Raising funds 2021 £000	Charitable activities 2021 £000	Total 2021 £000
Staff costs	210	512	722
Other overheads	303	738	1,041
	<u>513</u>	<u>1,250</u>	<u>1,763</u>
		2022 £000	2021 £000

14 Governance costs

Included within support costs are the following governance costs:

Audit fees	28	29
Directors' fees	29	29
Other governance costs	5	8
Total Governance costs	<u>61</u>	<u>66</u>

15 Net (expenditure)/income is stated after charging:

Fees payable to the Company's auditors for the audit of:

- the Company's annual accounts

- the Company's subsidiaries' accounts

Total Audit Fees

Movement in stock

Depreciation

Realised foreign currency exchange loss

Operating lease rentals - Land and buildings

2022 £000	2021 £000
13	12
15	17
<u>28</u>	<u>29</u>

(2) 131

232 207

14 67

82 124

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

16 Analysis of staff numbers and costs

The number of employees during the period was as follows:

	Full Time Equivalent No.		Average Headcount No.	
	2022	2021	2022	2021
Concerts Management	17	16	18	16
Marketing	6	5	6	5
Development	10	9	11	9
Management, Finance and IT	12	13	15	14
Total Charity	45	43	50	44
LSO Discovery	10	10	11	10
LSO St Luke's	8	10	8	10
LSO Live	4	5	5	5
Total Group	67	68	74	69

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
All employees aggregate remuneration				
Salaries	2,710	2,549	1,947	1,849
National Insurance	233	257	221	193
Pension Costs	219	200	188	165
Other staff costs	43	32	43	32
	3,203	3,038	2,399	2,239
Key management aggregate remuneration				
Salaries and pension	359	346	359	346
National Insurance	40	39	40	39
	399	385	399	385

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

16 Analysis of staff numbers and costs (continued)

The number of Group employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

	2022	2021
	No.	No.
£180,001 - £190,000	-	1
£170,001 - £180,000	1	-
£100,001 - £110,000	-	1
£80,001 - £90,000	1	-
£70,001 - £80,000	1	1
£60,001 - £70,000	3	3

The Directors who are playing members of the Orchestra received performance fees and expenses on the same scale as those paid to other playing members in respect of their performances with the Orchestra.

Fees in relation to the office of Director were paid to the following playing members:

		2022	2021
		£	£
David Alberman	Chair	16,000	16,000
Harriet Rayfield	Vice - Chair	8,000	8,000
David Jackson	Vice - Chair	5,000	5,000

A total of £5,162 (2021: £6,389) was also paid to 10 (2021:7) Directors in respect of reimbursing expenses incurred for Board and Committee meetings.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

17 Tangible fixed assets

	Freehold & leasehold land and buildings £000	Motor vehicles £000	Instrument s £000	Fixtures, fittings and equipment £000	Plant and Machinery £000	Total £000
Group:						
Cost						
At 1 August 2021	624	304	1,511	1,609	-	4,048
Additions	585	-	27	69	120	801
Disposals	-	-	(4)	(6)	-	(10)
At 31 July 2022	1,209	304	1,534	1,672	120	4,839
Depreciation						
At 1 August 2021	312	160	490	1,231	-	2,193
Charge for the year	29	26	16	131	30	232
Disposals	-	-	(4)	(6)	-	(10)
At 31 July 2022	341	186	502	1,356	30	2,415
Net book values						
At 31 July 2022	868	118	1,032	316	90	2,424
At 1 August 2021	312	144	1,021	378	-	1,855
Charity:						
Cost						
At 1 August 2021	571	304	1,447	632	-	2,954
Additions	585	-	28	22	120	755
Disposals	-	-	(4)	-	-	(4)
At 31 July 2022	1,156	304	1,471	654	120	3,705
Depreciation						
At 1 August 2021	259	160	444	429	-	1,292
Charge for the year	29	26	10	62	30	157
Disposals	-	-	(4)	-	-	(4)
At 31 July 2022	288	186	450	491	30	1,445
Net book values						
At 31 July 2022	868	118	1,021	163	90	2,260
At 1 August 2021	312	144	1,003	203	-	1,662

Within the costs of Land and Buildings is a balance of £135,000 relating to Land (2021: £135,000); this element is not depreciated as the Directors are of the opinion that the net residual value is at least equal to the original cost. Land and Buildings also includes the valuation of the donated leasehold building (see Note 31). No amortisation was charged on the lease in the year as it was transferred at the end of the financial year.

During the year £120,000 of Plant and Machinery costs were transferred from St Luke Centre Management Company, to the charity (see Note 31).

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

17 Tangible fixed assets (continued)

	Freehold land and buildings £000	Motor vehicles £000	Instruments £000	Fixtures, fittings and equipment £000	Total £000
Group:					
Cost					
At 1 August 2020	624	304	1,495	1,407	3,830
Additions	-	-	16	202	218
At 31 July 2021	624	304	1,511	1,609	4,048
Depreciation					
At 1 August 2020	283	134	469	1,100	1,986
Charge for the year	29	26	21	131	207
At 31 July 2021	312	160	490	1,231	2,193
Net book values					
At 31 July 2021	312	144	1,021	378	1,855
At 1 August 2020	341	170	1,026	307	1,844
Charity:					
Cost					
At 1 August 2020	571	304	1,431	486	2,792
Additions	-	-	16	146	162
At 31 July 2021	571	304	1,447	632	2,954
Depreciation					
At 1 August 2020	230	134	430	365	1,159
Charge for the year	29	26	14	64	133
At 31 July 2021	259	160	444	429	1,292
Net book values					
At 31 July 2021	312	144	1,003	203	1,662
At 1 August 2020	341	170	1,001	121	1,633

Within the costs of Land and Buildings is a balance of £135,000 relating to Land (2017: £135,000); this element is not depreciated as the Directors are of the opinion that the net residual value is at least equal to the original cost.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

	Charity
18 Investments in subsidiaries	£
Cost at 1 August 2021 and 31 July 2022	101

The investments represent 100 shares in LSO Productions Ltd (£100) and 1 share in LSO Live Ltd (£1) which were all held at the start of the year. Both subsidiaries are 100% owned by London Symphony Orchestra Ltd and are registered in England and Wales. Their activities are explained in Note 4.

	Group	Charity
	2022	2021
	£000	£000
19 Stocks of CDs and related development costs		
Stocks of own-label recorded CDs and DVDs	115	136
Deferred development costs of own-label CDs and DVDs	405	382
	<u>520</u>	<u>518</u>

		Group		Charity	
		2022	2021	2022	2021
		£000	£000	£000	£000
20	Debtors: amounts falling due within one year				
	Trade debtors	1,523	1,891	1,076	1,430
	Other debtors	6	56	1	55
	Prepayments	487	233	480	227
	Amounts owed by Group companies	-	-	2,479	2,072
	Accrued Income	2,700	1,389	315	299
	Other taxes and social security	42	716	64	-
		<u>4,758</u>	<u>4,285</u>	<u>4,415</u>	<u>4,083</u>

		Group		Charity	
		2022	2021	2022	2021
		£000	£000	£000	£000
21	Creditors: amounts falling due within one year				
	Trade creditors	441	408	244	371
	Other taxes and social security	79	28	63	43
	Owed to players	333	689	44	344
	Other creditors	531	428	116	39
	Amounts owed to Group companies	-	-	261	-
	Accruals	827	911	735	824
	Deferred income	941	1,316	404	1,030
		<u>3,152</u>	<u>3,780</u>	<u>1,868</u>	<u>2,651</u>

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

	Group		Charity	
	2022	2021	2022	2021
22 Deferred Income				
Brought forward	1,316	926	1,030	694
Released in the year	(1,316)	(926)	(1,030)	(694)
Deferred in the year	941	1,316	404	1,030
Carried Forward	<u>941</u>	<u>1,316</u>	<u>404</u>	<u>1,030</u>

23 Statement of funds

	1 August 2021 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance 31 July 2022 £000
Group:						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General fund	3,787	17,125	(16,820)	(14)	(13)	4,065
Designated fund	<u>1,547</u>	<u>2,265</u>	<u>(30)</u>	<u>-</u>	<u>-</u>	<u>3,782</u>
Total unrestricted funds	<u>5,335</u>	<u>19,390</u>	<u>(16,850)</u>	<u>(14)</u>	<u>(13)</u>	<u>7,848</u>
Restricted funds	219	1,723	(1,488)	-	13	467
Total group funds	<u>5,554</u>	<u>21,113</u>	<u>(18,338)</u>	<u>(14)</u>	<u>-</u>	<u>8,315</u>
Charity:						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General fund	3,858	22,184	(21,752)	(10)	-	4,280
Designated fund	<u>1,547</u>	<u>2,265</u>	<u>(30)</u>	<u>-</u>	<u>-</u>	<u>3,782</u>
Total unrestricted funds	<u>5,406</u>	<u>24,449</u>	<u>(21,782)</u>	<u>(10)</u>	<u>-</u>	<u>8,063</u>
Restricted funds	186	1,009	(975)	-	-	220
Total charity funds	<u>5,592</u>	<u>25,458</u>	<u>(22,757)</u>	<u>(10)</u>	<u>-</u>	<u>8,283</u>

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

23 Statement of funds (continued)

	1 August 2020 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance 31 July 2021 £000
Group:						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General fund	4,055	10,445	(10,666)	(67)	20	3,787
Designated fund	1,547	-	-	-	-	1,547
Total unrestricted funds	5,603	10,445	(10,666)	(67)	20	5,335
Restricted funds	493	1,320	(1,574)	-	(20)	219
Total group funds	6,096	11,765	(12,240)	(67)	-	5,554
Charity:						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General fund	4,376	12,572	(13,046)	(60)	16	3,858
Designated fund	1,547	-	-	-	-	1,547
Total unrestricted funds	5,924	12,572	(13,046)	(60)	16	5,406
Restricted funds	200	357	(355)	-	(16)	186
Total charity funds	6,124	12,929	(13,401)	(60)	-	5,592

24 Designated Funds

Designated Funds are those unrestricted funds which have been set aside by the Directors for specific purposes.

	Balance 1 August 2021 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 July 2022 £000
Strategic Fund	1,547	1,174	-	-	2,721
LSO St Luke's Designated Fund	-	1,091	(30)	-	1,061
Total Designated funds	1,547	2,265	(30)	-	3,782

Strategic Fund

The Strategic Fund has been established to fund strategic initiatives and potential operating deficits in coming years, and particularly to support the LSO's recovery from the Covid-19 pandemic.

LSO St Luke's Designated Fund

This fund has been established to support the costs of future maintenance and refurbishment of LSO St Luke's.

London Symphony Orchestra Ltd

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As at 31 July 2022

25 Restricted funds

Restricted funds are those funds raised for a specific purpose within the LSO's charitable objectives. An explanation of each restricted fund and movements during the year are shown below and on the following page.

	Balance 1 August 2021 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 July 2022 £000
Antonio Brenzi Viola	200	-	-	-	200
ACE Grant	-	802	(802)	-	-
Always Playing Appeal	(17)	263	(242)	16	20
City of London - Culture Mile Grant	3	-	-	(3)	-
Government Grants	-	15	(15)	-	-
Total charity restricted funds	186	1,080	(1,059)	13	220
LSO Discovery	33	643	(429)	-	247
Total group restricted funds	219	1,723	(1,488)	13	467

	Balance 1 August 2020 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 July 2021 £000
Antonio Brenzi Viola	200	-	-	-	200
Always Playing Appeal	-	163	(180)	-	(17)
Anglo-Japanese Fund	-	16	-	(16)	-
City of London - Culture Mile Grant	-	13	(10)	-	3
Government Grants	-	165	(165)	-	-
Total charity restricted funds	200	357	(355)	(16)	186
LSO Discovery	294	638	(899)	-	33
LSO St Luke's Lunchtime Concert Fund	-	35	(35)	-	-
Moving Music Fund	-	133	(133)	-	-
Anglo-Japanese Fund	-	84	(80)	(4)	-
Government Grants	-	72	(72)	-	-
Total group restricted funds	494	1,319	(1,574)	(20)	219

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

25 Restricted funds (continued)

Antonio Brenzi Viola Fund

This fund represents an Antonio Brenzi Viola which is held in tangible fixed assets. The restriction accompanying this instrument is that it must be used by an LSO orchestra member for the duration of his or her life as a professional LSO musician.

ACE Grant

Since April 2022, Arts Council England has requested that its core funding is shown as restricted. This funding supports the delivery of the whole of the LSO's business plan, the costs of which exceed ACE's grant. Costs equal to the value of this grant have been allocated to this restricted fund.

Always Playing Appeal

This fund relates to fundraised income received to support the LSO's recovery from the Covid-19 pandemic over coming years.

Anglo-Japanese Fund

The purpose of this fund is to build Anglo-Japanese cultural relations by supporting the LSO's work in Japan.

Government Grants

These funds relate to government contributions to fuloughed employees and support for the Kickstart job creation scheme.

City of London - Culture Mile Grant

This fund represents a restricted grant from the City of London Corporation for cultural and community activities as part of the Culture Mile Programme.

LSO Discovery

This fund represents all restricted funds relating to LSO Discovery projects. The balance carried forward at the year end relates to funds received but not yet spent. It is expected that these funds will be applied towards LSO Discovery work in future years.

LSO St Luke's Lunchtime Concert Fund

This fund consists of a legacy to support lunchtime concerts at LSO St Luke's.

Moving Music Fund

This fund represents grant funding received to fund audio/visual recordings of key concert performances by the LSO and the distribution of these worldwide, including to young people and new audiences.

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

26 Analysis of net assets between funds

	Unrestricted General Funds £000	Unrestricted Designated Funds £000	Restricted Funds £000	Total Funds £000
Group				
Tangible fixed assets	1,549	675	200	2,424
Current assets	5,608	3,168	267	9,043
Current and long term liabilities	(3,091)	(61)	-	(3,152)
At 31 July 2022	<u>4,066</u>	<u>3,782</u>	<u>467</u>	<u>8,315</u>
Charity				
Tangible fixed assets	1,385	675	200	2,260
Current assets	4,703	3,168	20	7,891
Current liabilities	(1,807)	(61)	-	(1,868)
At 31 July 2022	<u>4,281</u>	<u>3,782</u>	<u>220</u>	<u>8,283</u>
	Unrestricted General Funds £000	Unrestricted Designated Funds £000	Restricted Funds £000	Total Funds £000
Group				
Tangible fixed assets	1,635	-	220	1,855
Current assets	5,933	1,547	(1)	7,479
less: Current and long term liabilities	(3,780)	-	-	(3,780)
As at 31 July 2021	<u>3,788</u>	<u>1,547</u>	<u>219</u>	<u>5,554</u>
Charity				
Tangible fixed assets	1,476	-	186	1,662
Current assets	5,034	1,547	-	6,581
less: Current liabilities	(2,651)	-	-	(2,651)
As at 31 July 2021	<u>3,859</u>	<u>1,547</u>	<u>186</u>	<u>5,592</u>

27 Commitments under operating leases

At 31 July 2022 the present value of the Group's total future minimum lease commitments under non-cancellable operating leases was as follows:

	2022 £000	2021 £000
Land and buildings		
- within one year	82	124
- between two and five years	-	82
	<u>82</u>	<u>206</u>

London Symphony Orchestra Ltd

Notes to the financial statements

As at 31 July 2022

28 Share capital

The charity is a company limited by shares. The authorised share capital is 1,500 ordinary shares with a value of £1 each.

	Shares	Shares
	No.	Value £
Allotted, called-up and fully paid		
1,000 shares of £1 each	1,000	1,000

29 Related party matters

LSO Endowment Trust

The registered charity The London Symphony Orchestra Endowment Trust (reg no 233700) has engaged with the London Symphony Orchestra Limited in respect of the following transactions during the year. The LSO Endowment Trust is controlled by a majority of independent trustees and, as such, there is no requirement to consolidate or detail any part of that organisation's results. The matters to report are:

	2022	2021
	£000	£000
Donations made to the Group	263	650

In addition the following positions existed between the Group and the LSO Endowment Trust as at 31 July:

	2021	2020
	£000	£000
Amounts owed to the Group by the LSO Endowment Trust	-	146
Amounts owed by the Group to the LSO Endowment Trust	-	25

Members of the London Symphony Orchestra

The permanent members of the London Symphony Orchestra are engaged by the Group to perform at concerts, engagements and education projects. These members are also the shareholders in London Symphony Orchestra Limited.

Directors' & Officers' Insurance

During the year the Group took out Directors & Officers Liability insurance which was included in a commercial combined policy covering a wider range of insurable risks. Therefore no separate premium specifically for Directors' and Officers' Liability is available. (2020: no separate premium available).

Other transactions

During the year the London Symphony Orchestra made payments to two companies of which members of the LSO Board were also Directors. These payments were: £40,724 to Boosey & Hawkes Ltd, of which Janis Susskind is a Director; and £24,286 to Henry Wood Hall Ltd, of which both Kathryn McDowell and David Jackson are Directors. These payments were made in the normal course of business.

London Symphony Orchestra Ltd

Notes to the financial statements

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30 Taxation

The London Symphony Orchestra Limited is a registered charity and is thus exempt from tax on income and gains, falling within part 11 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992, to the extent that these applied to its charitable objectives. No tax charges have arisen in the charity.

The subsidiary companies donate an amount equivalent to any taxable profits to the charity each year under Gift Aid.

31 Transfer of Assets from St Luke's Centre Management Company Ltd

During the year, a number of assets were transferred from St Luke Centre Management Company Ltd (SLCMC) to LSO Ltd. SLCMC is a registered charity and held the Headlease for LSO St Luke's from the freeholder, the Diocese of London. In turn, SLCMC was the landlord to LSO Productions Ltd for the building and it had no other operations other than to administer the lease and carry out landlord repairs which were funded by contributions to a Sinking Fund by the LSO Productions Ltd.

During the past year, the Board of SLCMC decided to wind-up its operations and, having taken independent legal advice, decided to transfer the Headlease and its other assets, comprising plant, infrastructure and cash to LSO Ltd. The LSO agreed to take on these assets along the obligations relating to the Headlease and any residual liabilities attributable to SLCMC. The transfer was completed on 25 July 2022. The transfer gives the LSO direct control over LSO St Luke's, subject to the terms of the Headlease, which is increasingly important given the central role of the venue in the LSO's current and future activities.

The gift of the Headlease and other assets has been recorded in the LSO's accounts under Income from Donations, Grants and Legacies (see Note 6) and the assets added to the balance sheet. The income and assets have all been attributed to a new Designated Fund for LSO St Luke's (see Note 24). This is because the Headlease and other physical assets are not liquid, and the cash balances will be applied towards the funding of future maintenance and refurbishment of the building. The Headlease and other physical assets will be depreciated in accordance with the policy set out in Note 1.