

# THE LONDON SYMPHONY ORCHESTRA ENDOWMENT TRUST

England & Wales · Charity number 233700

## Details

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Other names	THE LONDON SYMPHONY ORCHESTRA TRUST, LSO ENDOWMENT TRUST - LORD MAYOR'S APPEAL 2004
Status	Registered
Legal form	Trust
Registered	1964-04-09
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	London Symphony Orchestra 6th Floor Barbican Centre London EC2Y 8DS
Phone	02073822545
Email	<a href="mailto:info@lso.co.uk">info@lso.co.uk</a>
Website	<a href="http://www.lso.co.uk">www.lso.co.uk</a>

## Activities

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**Objects:** THE PROMOTION MAINTENANCE AND ADVANCEMENT OF EDUCATION AND IN PARTICULAR MUSICAL EDUCATION AND THE ENCOURAGEMENT OF THE ARTS INCLUDING THE ARTS OF MUSIC, DRAMA, MIME, DANCING AND SINGING OR ANY FURTHER CHARITABLE OBJECTS.

**Activities:** The general purpose of the charity is to support the objects of the London Symphony Orchestra (LSO) and these are to promote, maintain and advance education, particularly musical education and to encourage the arts including the arts of music, drama, mime, dancing and singing. Specifically the Trust actively supports musical education in the form of the LSO's education programme, LSO Discovery.

## Classification

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- **How:** Makes Grants To Organisations, Provides Other Finance
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

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- Throughout London

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,205,888	£1,535,129	£28,306,296	0
2024-03-31	£726,050	£402,417	£24,044,320	0
2023-03-31	£1,098,452	£637,573	£22,199,410	0
2022-03-31	£1,930,730	£294,274	£22,474,052	0
2021-03-31	£2,312,131	£748,975	£20,720,426	0

## Trustees

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Name	Role	Appointed
LSOET Corporate Trustee Ltd		2025-06-27

**THE LONDON SYMPHONY ORCHESTRA ENDOWMENT TRUST**

England & Wales - Charity number 233700

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# Accounts

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**Charity Registration No. 233700**

**The London Symphony Orchestra  
Endowment Trust**

**Report and Financial Statements**

**31 March 2025**

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2024-25

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Trustee's report	2
Statement of Trustee's responsibilities	7
Independent auditor's report	8
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the financial statements	14

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2024-25

### Officers and professional advisers

#### Trustee

LSOET Corporate Trustee Ltd

#### Directors of the Trustee

Charles Clark (Chair)

Mark Beddy

Hon Sir Rocco Forte

Lady Aliai Forte

Richard Hardie

James Lennox Mackenzie OBE

Dame Kathryn McDowell

Lady Wendy Parmley

Sarah Quinn

Daniel Ross

John Shakeshaft

Rahul Stanchina

#### Company Secretary of the Trustee

Rikesh Shah

#### Registered Office

Barbican Centre

Silk Street

London

EC2Y 8DS

#### Professional Advisers

##### *Investment managers*

Sarasin & Partners

Juxon House

100 St Paul's Churchyard

London

EC2M 2AN

##### *Solicitors*

Veale Wasbrough Vizards LLP

Orchard Court

Orchard Lane

Bristol

BS1 5WS

##### *Bankers*

Lloyds Bank plc

34 Moorgate

London

EC2R 6PL

##### *Auditor*

Haysmac LLP

10 Queen Street Place

London EC4R 1AG

# The London Symphony Orchestra Endowment Trust

## Trustee's report 2024-25

### Introduction

The Trustee presents its annual report and the audited financial statements for the year ended 31 March 2025.

### Structure, governance and management

#### *Constitution*

The London Symphony Orchestra Endowment Trust ("the Trust") was originally established by a deed of settlement dated 12 September 1963 which has subsequently been amended by a trust deed dated 22 October 1991, a Deed of Variation dated 5 July 2006, a Deed of Amendment dated 1 October 2010 and a Deed dated 27 June 2025.

#### *Trustees and organisation*

Until 27 June 2025, the Trust was governed by a Board of 10 Trustees whose names are listed in Note 19. Following a review of governance arrangements, the Trustees stepped down in the place of a sole corporate trustee, LSOET Corporate Trustee Ltd which took office on 27 June 2025. All of the former Trustees are Directors of LSOET Corporate Trustee Ltd together with two additional Directors, Mr Mark Beddy and Mr Rahul Stanchina.

The Trustee is governed by its Board of Directors. There must be a minimum of 3 and a maximum of 12 Directors of whom not more than 4 may be directors of London Symphony Orchestra Ltd ("the LSO") or associate companies of the LSO. Non-LSO Trustees must always constitute a majority of the Trustees.

Subject to these limits, new Directors of the Trustee are recruited on the basis that by virtue of their knowledge, experience and qualifications they will be able to make a contribution to the pursuit of the objects or the management of the Trust. Induction and training is provided as necessary.

The Trustee, through its Board of Directors, meets at least twice a year and, in addition, an Investment Committee meets regularly with the investment managers to review the performance of the investment portfolio and to discuss the investment approach.

#### *Connected charity*

The LSO (Charity Number 232391) is a connected charity of the Trust by virtue of the fact that the two charities have shared objectives and administration. However, the Trust is fully independent of the LSO and has its own Trustee which has its own Board of Directors. The LSO's subsidiary companies, LSO Productions Ltd and LSO Live Ltd are considered to be related parties to the Trust.

#### *Objectives and activities*

The general purpose of the Trust is to support the objects of the LSO, namely to promote, maintain and advance education, particularly musical education and to encourage and advance the arts including music, drama, mime, dancing and singing.

The Trust's main activity is to build long-term funds which will generate returns that can be used to make grants which support the LSO as this is considered essential to being able to secure the LSO's future. The unrestricted General Fund is the main endowment fund which has been established for this purpose.

In addition, the Trust has received funds raised from the Lord Mayor's Appeals in 2004, 2010 and in 2017, as well as from a number of generous donors towards the Always Playing Appeal, established to support the LSO during and in the aftermath of the Covid-19 pandemic.

# The London Symphony Orchestra Endowment Trust

## Trustee's report 2024-25

In 2012, the Trust raised income of almost £6m and this in turn released funding from the Arts Council England's Catalyst Endowment Scheme of a further £2.9m. The funds from this campaign, known as Moving Music, are invested in the Digital Fund as a restricted long-term endowment with the total return generated used to capture audio and audio-visual recordings of the LSO's concert performances and to disseminate them to a wider audience.

Following receipt of a generous grant from the Helen Hamlyn Trust in 2024, the Composers' Fund was established to provide world-class development opportunities for composers, in particular by supporting the LSO Helen Hamlyn Panufnik Composers' Scheme run by the LSO. The funds are invested for the long-term with investment returns in excess of the original grant available to be drawn down.

The Trust's principal funds (which are all open to further contributions) are as follows:

General Fund	This is the Trust's primary unrestricted fund from which investment returns are used to make grants to the LSO for areas of particular need.
Strategic Fund	This fund was created to receive income during the Covid-19 pandemic as part of the Always Playing Appeal, with the main purpose being to provide strategic support to support the LSO including supporting its musicians and assisting in the development of its business model.
LSO Discovery (long-term) Fund	This fund is held for the long-term with investment returns used to make grants to support the extensive work of LSO Discovery and related education and community projects in the UK, overseas and through digital projects.
LSO St Luke's Fund	This fund has been established to receive funds to be used to support capital projects and other activity at LSO St Luke's.
Digital Fund	The investment returns from this fund are used to fund audio visual recordings of concert performances by the LSO and the distribution of these worldwide, including to young people and new audiences.
Composers' Fund	The purpose of this fund is to provide world-class development opportunities for composers, in particular by supporting the LSO Helen Hamlyn Panufnik Composers' Scheme run by the LSO.

The grants made from the funds listed above provide an important source of regular and stable income to the LSO, and allows investment in areas of particular importance.

The Trust also occasionally receives donations and legacies which are intended to be used for very specific purposes over a limited timeframe. These funds are accounted for separately in order to ensure that the wishes of the donor or legator are honoured.

The Trustee's principal focus is to manage the various funds in the most appropriate way given the relevant purposes and timescales, and to make grants to the LSO Group based on the needs of the LSO. The largest funds are all largely invested in order to maximise returns over the medium- and long-term.

# The London Symphony Orchestra Endowment Trust

## Trustee's report 2024-25

The Trust also makes loans to LSO members to assist them in purchasing musical instruments, and has acquired a small number of instruments which are loaned to the LSO for use by members of the Orchestra.

The Trust does not use the services of volunteers and the minimal operational tasks of the Trust are undertaken by LSO staff.

### *Public benefit*

The Trust provides benefit to the public indirectly by providing funding to the LSO and thereby supporting a world class orchestra and its concert programme, as well as its wider activities including LSO Discovery's education and community programme, and international dissemination of performances through LSO Live.

The LSO's core activities encourage the education of, and participation in, music by the public at large. This is achieved through public concerts which have accessible ticket prices (and some of which are free of charge), some of which are broadcast on the radio, television and the internet and through audio recordings which are widely available at low cost.

The Trustee confirms that it has referred to the Charity Commission's guidance on public benefit and believes that the support provided to the LSO provides benefit to a wide section of the public.

### **Achievements and performance**

#### *Investment portfolio*

The Trust invests its assets with a view to both capital appreciation and the generation of income to support its charitable activities. There are no restrictions on the Trust's power to invest.

The investment strategy is set by the Trustee in discussion with the investment manager and this strategy is reviewed regularly. Within the overall strategy, the investment manager takes the decisions on selection, retention and realisation of investments.

The value of the investment portfolio increased to £27,571,991 reflecting purchases and sales made during the year and a net increase in market value of £1,097,516. Investment performance reflected market conditions and portfolios are positioned to meet agreed investment mandates. At 31 May 2025, the investment portfolio was valued at £25,128,387, reflecting changes in financial markets and withdrawals made after the year end.

From 1<sup>st</sup> April 2023, a total return approach has been applied to the Digital Fund through which both income and capital gains can be drawn within parameters designed to protect the value of the fund over time. The initial value of the fund is set as the amount held at the conclusion of the fundraising campaign that led to the creation of this fund. The unapplied total return at 1<sup>st</sup> April 2024 was the difference between the value of the investment fund at that date and the initial value of the fund.

Following advice from the Trust's solicitors and investment managers (see page 1), the Trust's policy is to draw 3.5% of the 3-year average value of the investment fund subject to sufficient unapplied total return being available.

#### *Fundraising*

Following the major appeal during the pandemic, active fundraising activity during the year was limited. Voluntary income reflected donations and legacies received and associated Gift Aid. The Trust continued to promote legacy giving amongst the LSO's supporters and audiences which is an increasingly important source of income which allows the Trust to increase its ability to support the LSO over time. The Trust did not engage the use of third-party fundraisers.

# The London Symphony Orchestra Endowment Trust

## Trustee's report 2024-25

### *Grants*

During the year, grants of £1,406,129 (2024: £300,000) were made to the LSO Group. Details of all grants made are set out in note 10.

### *Loans to Players*

The Trust continued to offer loans to members of the LSO to assist them in the purchase of instruments. There were 2 new loans totalling £21,486 made to players during the year (2024: 2 loans totalling £44,000). At the year-end, 10 players had outstanding loans from the Trust; further details are shown in Note 13 to the Financial Statements.

### **Financial review**

Total income received in the year was £5,205,888 (2024: £726,050), almost all of which related to donations, legacies, gift aid and income from investments. Expenditure of £1,535,129 (2024: £402,417) was in line with expectations and related primarily to grants and investment management fees.

Net gains in the value of the investment portfolio were £1,097,516 reflecting strong performance of investment markets during the year. Following reinvestment of income and surplus cash, the value of the portfolio at the year-end was £27,571,991 (2024: £21,726,201).

The Trust's net assets increased from £24,044,320 to £28,306,296 at the year-end.

### **Reserves policy**

Of the Trust's total funds of £28.3m, a total of £19.5m comprise Endowment Funds or Restricted Funds which can only be used for specific purposes. Of the remaining Unrestricted Funds, £2.3m are held for specific purposes leaving £6.5m in the unrestricted General Fund.

Much of the General Fund comprises investments, which are held to generate income and capital gains, together with instruments for use by the LSO and loans to Members of the LSO. After excluding the investments and the other assets which are not liquid, there was a remaining balance at the year end of £110,000 which the Trustees treat as free reserves. This is less than the target level for free reserves of 5% of the General Fund but remains sufficient to meet day-to-day needs. Additional funds will be transferred from the investment portfolio to increase free reserves if needed.

The level of free reserves is considered sufficient given that the Trust has minimal administrative overheads and no on-going liabilities. In addition, the vast majority of investments held in the General Fund are liquid and available for drawdown at short notice if needed. The Trustee reviews levels of reserves on an annual basis.

### **Risk review**

The major risks to which the Trust is exposed, as identified by the Trustee, have been reviewed and systems have been established to mitigate those risks. The primary risks relate to protecting the value of the Trust's investment portfolio and other assets. The Trustee delegates management of this risk to professional investment managers with oversight by the Investment Committee consisting of five Directors of the Trustee.

Many factors affecting the achievement of the Trust's objectives relate to economic factors such as movement in share prices, interest rates, exchange rates and inflation and these are largely outside the Trust's control so can only be mitigated to a certain degree. However, the Trust has long-term time horizons and is largely able to absorb fluctuations in investment markets.

# The London Symphony Orchestra Endowment Trust

## Trustee's report 2024-25

### Plans for the future

Work continues to secure donations for general purposes and specific projects. The Trust also continues to seek to increase the number of individuals who plan to donate a legacy to the Trust and the Trustees have been notified by a number of individuals of pledged legacies of varying sizes.

A major new campaign to significantly increase the endowment to help underpin the LSO's future ambitions is being developed, with substantial planning taking place ahead of the campaign being launched.

Careful oversight of the investment portfolio will continue in order to increase over time the value of grants made to support its charitable objectives. The policy of making grants to the LSO, LSO Productions Ltd and LSO Live Ltd is expected to continue along with loans to LSO members to assist with instrument purchases. In particular, major grants will be made to the LSO during the 2025/26 financial year to support the costs of the LSO's redevelopment of LSO St Luke's.

### Going concern

At the year-end the Trust had significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. The Trustee has a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. Accordingly, the Trustee continues to adopt the going concern basis in preparing the financial statements.

### Fundraising approach

The Trust 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 Trust is registered with the Fundraising Regulator and adheres to the standards of the Code of Fundraising Practice. No complaints were received about the Trust's fundraising practices during the year.

## The London Symphony Orchestra Endowment Trust

### Trustees' responsibilities statement

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the Trust and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Trustee



Charles Clark  
Chair of LSOET Corporate Trustee Ltd

3 July 2025

# **Independent auditor's report to the Trustee of The London Symphony Orchestra Endowment Trust**

## **Independent auditor's report to the Trustee of The London Symphony Orchestra Endowment Trust**

### **Opinion**

We have audited the financial statements of The London Symphony Orchestra Endowment Trust for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 charity's affairs as at 31 March 2025 and of the charity's net movement in funds 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 Charities Act 2011.

### **Basis for opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 charity 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 Trustee's 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 charity'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 Trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustee is responsible for the other information. The other information comprises the information included in the Trustee's 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.

## **Independent auditor's report to the Trustee of The London Symphony Orchestra Endowment Trust**

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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustee for the financial statements**

As explained more fully in the Trustee's responsibilities statement set out on page 7, the Trustee is 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 Trustee determines 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 Trustee is responsible for assessing the charity'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 Trustee either intends to liquidate the charity or to cease operations, or has 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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act, 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 Charities Act 2011 and consider other factors such as relevant taxation.

## Independent auditor's report to the Trustee of The London Symphony Orchestra Endowment Trust

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of 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;
- 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
- Reviewing minutes of Trustee meetings.

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](http://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 charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee 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 charity's Trustee as a body for our audit work, for this report, or for the opinions we have formed.



HaysMac LLP  
Statutory Auditors  
Date: 1 September 2025

10 Queen Street Place  
London  
EC4R 1AG

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## The London Symphony Orchestra Endowment Trust

### Statement of Financial Activities Period ended 31 March 2025

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 Endowment funds £	2025 Total funds £	2024 Total funds £
<b>Income and endowments from:</b>						
Donations and legacies	4	48,325	2,020,000	2,500,000	4,568,325	132,125
Charitable activities	5	4,027	-	-	4,027	3,485
Investment income	6	203,872	79,400	350,264	633,536	590,440
<b>Total income</b>		<b>256,224</b>	<b>2,099,400</b>	<b>2,850,264</b>	<b>5,205,888</b>	<b>726,050</b>
<b>Expenditure</b>						
Expenditure on:						
Investment Management Fees	7	(33,261)	(16,397)	(62,735)	(112,393)	(92,687)
Charitable activities	8	(16,607)	(676,129)	(730,000)	(1,422,736)	(309,730)
<b>Total expenditure</b>		<b>(49,868)</b>	<b>(692,526)</b>	<b>(792,735)</b>	<b>(1,535,129)</b>	<b>(402,417)</b>
Net gains/(losses) on investments		138,878	177,353	274,986	591,217	1,521,277
<b>Net (expenditure)/ income</b>	9	<b>345,234</b>	<b>1,584,227</b>	<b>2,332,515</b>	<b>4,261,976</b>	<b>1,844,910</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>		<b>345,234</b>	<b>1,584,227</b>	<b>2,332,515</b>	<b>4,261,976</b>	<b>1,844,910</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		8,509,765	4,081,797	11,452,758	24,044,320	22,199,410
<b>Total funds carried forward</b>		<b>8,854,999</b>	<b>5,666,024</b>	<b>13,785,273</b>	<b>28,306,296</b>	<b>24,044,320</b>

There were no other recognised gains or losses other than as shown above. All income and expenditure derive from continuing activities.

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

## The London Symphony Orchestra Endowment Trust

### Balance Sheet

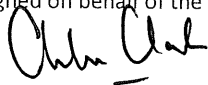
As at 31 March 2025

		2025	2025	2025	2025	2024
	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
		£	£	£	£	£
<b>Fixed assets</b>						
Tangible assets	11	545,000	-	-	545,000	545,000
Investment assets	12	8,122,974	5,663,744	13,785,273	27,571,991	21,726,201
Loans	13	49,224	-	-	49,224	58,753
<b>Total fixed assets</b>		<b>8,717,198</b>	<b>5,663,744</b>	<b>13,785,273</b>	<b>28,166,215</b>	<b>22,329,954</b>
<b>Current assets</b>						
Debtors: amounts falling due within one year	14	8,222	-	-	8,222	45,000
Loans	13	27,632	-	-	27,632	25,144
Cash at bank		118,482	2,280	-	120,762	1,653,222
<b>Total current assets</b>		<b>154,336</b>	<b>2,280</b>	<b>-</b>	<b>156,616</b>	<b>1,723,366</b>
<b>Current liabilities</b>						
Creditors: amounts falling due within one year	15	(16,535)	-	-	(16,535)	(9,000)
<b>Net current assets</b>		<b>137,801</b>	<b>2,280</b>	<b>-</b>	<b>140,081</b>	<b>1,714,366</b>
<b>Total net assets</b>		<b>8,854,999</b>	<b>5,666,024</b>	<b>13,785,273</b>	<b>28,306,296</b>	<b>24,044,320</b>
<b>Total funds of the charity</b>	16					
Funds brought forward		8,509,765	4,081,797	11,452,758	24,044,320	22,199,410
Excess/(shortfall) of income over expenditure for the year		206,356	1,406,874	2,057,529	3,670,759	323,633
Realised and unrealised increase / (decrease) in the value of investment assets		138,878	177,353	274,986	591,217	1,521,277
Transfers between funds		-	-	-	-	-
<b>Funds carried forward</b>		<b>8,854,999</b>	<b>5,666,024</b>	<b>13,785,273</b>	<b>28,306,296</b>	<b>24,044,320</b>

The notes on pages 13 to 24 form part of these accounts.

Approved by the Trustee on 3 July 2025

Signed on behalf of the Trustee



Charles Clark

Chair of LSOET Corporate Trustee Ltd

## The London Symphony Orchestra Endowment Trust

### Statement of Cash Flows Year ended 31 March 2025

	Notes	2025 £	2024 £
Cash used in operating activities	A	2,582,278	(200,002)
<b>Cash flows from investing activities</b>			
Bank interest		14,845	-
Income from investments		618,691	590,440
Cash proceeds from the sale of investments		2,206,532	17,332
Purchase of investments		(6,954,806)	(464,515)
<b>Decrease in cash and cash equivalents in the year</b>		<u>(1,532,460)</u>	<u>(56,745)</u>
Cash and cash equivalents at the beginning of the year	B	1,653,222	1,709,967
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>120,762</u></u>	<u><u>1,653,222</u></u>

#### A Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net movement in funds	4,261,976	1,844,910
Unrealised (gains)/losses on investments	(1,097,516)	(2,019,030)
Dividend and interest income from investments	(618,691)	(590,440)
Bank interest	(14,845)	-
Decrease/(increase) in loans	7,040	20,916
Decrease/(increase) in debtors	36,778	550,969
(Decrease)/increase in creditors	7,535	(7,327)
<b>Net cash used in operating activities</b>	<u><u>2,582,278</u></u>	<u><u>(200,002)</u></u>

#### B Analysis of net funds

	2025 £	2024 £
Cash at bank and in hand	120,762	1,653,222

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2025

### 1 Accounting policies

#### a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. The financial statements are drawn up under the historical cost convention except that investments are carried at fair value.

The Trust meets the definition of a Public Benefit Entity under FRS 102.

#### b) Preparation of accounts on a going concern basis

The financial statements have been prepared on the basis that the Trust is and will remain a going concern for the foreseeable future. At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. Despite the on-going impacts of the pandemic, and having reviewed expected future cashflows, the Trustee has a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability.

#### 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.

Donations are recognised when the Trust 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.

#### d) Funds

The General Fund is a general unrestricted fund and represents funds which are expendable at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Such funds represent investments, loans and working capital balances.

Restricted funds are funds subject to specific restrictions imposed by the donors. These funds are not available for the Trustee to apply at its discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Endowment funds are funds which the Trustee is legally required to invest for a period of at least 25 years for the Charity's purposes.

Further details of all funds are given in note 16.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2025

### 1 Accounting policies (continued)

#### e) Expenditure

Expenditure is recognised on an accruals basis.

#### f) Allocation of support and governance costs

General support costs relating to the operation of the charity, which are minimal, are borne by the London Symphony Orchestra and are not recognised in these financial statements. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice, including statutory audit fees and legal fees. Governance costs are related to charitable activities and have therefore been included under this heading.

#### g) Tangible fixed assets

Tangible fixed assets are stated at cost and represent three high quality string instruments. These instruments have not been depreciated because the Trustee is of the opinion that the net residual value is at least equal to the original cost.

#### h) Investments

Investments are stated at the market value as indicated by the Report of the Investment Managers to the Trustee as at the Balance Sheet date. Any resulting unrealised gain or loss is allocated to the fund to which it relates within the Statement of Financial Activities.

#### i) Financial instruments and concessionary loans

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Concessionary loans made to members of the LSO to assist them in the purchase of instruments are initially recognised at the amount paid with the carrying amount in subsequent periods adjusted to reflect interest, repayments and any impairment.

#### j) Taxation

The London Symphony Orchestra Endowment Trust is a registered charity and is thus exempt from tax on income and gains falling within Part 10 of the Income Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Trust.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2025

#### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 1, the Trustee is 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 Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

#### 3 Comparative Statement of Financial Activities and Balance Sheet

##### Comparative Statement of Financial Activities

	Note	2024 Unrestricted funds £	2024 Restricted funds £	2024 Endowment funds £	2024 Total funds £
<b>Income and endowments from:</b>					
Donations and legacies	4	132,125	-	-	132,125
Charitable activities	5	3,485	-	-	3,485
Investment income	6	184,154	70,216	336,070	590,440
<b>Total income</b>		<b>319,764</b>	<b>70,216</b>	<b>336,070</b>	<b>726,050</b>
<b>Expenditure</b>					
Expenditure on:					
Raising funds	7	(28,039)	(12,003)	(52,645)	(92,687)
Charitable activities	8	(9,730)	(300,000)	-	(309,730)
<b>Total expenditure</b>		<b>(37,769)</b>	<b>(312,003)</b>	<b>(52,645)</b>	<b>(402,417)</b>
Net gains on investments		433,092	194,824	893,361	1,521,277
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>715,087</b>	<b>(46,963)</b>	<b>1,176,786</b>	<b>1,844,910</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		7,794,678	4,128,760	10,275,972	22,199,410
<b>Total funds carried forward</b>		<b>8,509,765</b>	<b>4,081,797</b>	<b>11,452,758</b>	<b>24,044,320</b>

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements Year ended 31 March 2025

### 3 Comparative Statement of Financial Activities and Balance Sheet (continued)

#### Comparative Balance Sheet

	Note	2024 Unrestricted funds £	2024 Restricted funds £	2024 Endowment funds £	2024 Total funds £
<b>Fixed assets</b>					
Tangible assets	11	545,000	-	-	545,000
Investments assets	12	6,954,249	3,319,194	11,452,758	21,726,201
Loans	13	58,753	-	-	58,753
<b>Total fixed assets</b>		<b>7,558,002</b>	<b>3,319,194</b>	<b>11,452,758</b>	<b>22,329,954</b>
<b>Current assets</b>					
Debtors: amounts falling due within one	14	45,000	-	-	45,000
Loans	13	25,144	-	-	25,144
Cash at bank		890,619	762,603	-	1,653,222
<b>Total current assets</b>		<b>960,763</b>	<b>762,603</b>	<b>-</b>	<b>1,723,366</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within	15	(9,000)	-	-	(9,000)
<b>Net current assets</b>		<b>951,763</b>	<b>762,603</b>	<b>-</b>	<b>1,714,366</b>
<b>Total net assets</b>		<b>8,509,765</b>	<b>4,081,797</b>	<b>11,452,758</b>	<b>24,044,320</b>
<b>Total funds of the charity</b>					
Funds brought forward	17	7,794,678	4,128,760	10,275,972	22,199,410
(Shortfall)/excess of income over expenditure for		281,995	(241,787)	283,425	323,633
Realised and unrealised increase / (decrease) in		433,092	194,824	893,361	1,521,277
<b>Funds carried forward</b>		<b>8,509,765</b>	<b>4,081,797</b>	<b>11,452,758</b>	<b>24,044,320</b>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2025

	2025	2024
	£	£
<b>4 Income from donations and legacies</b>		
Donations (Unrestricted Funds)	27,360	23,781
Donations (Restricted Funds)	2,020,000	-
Donations (Endowment Funds)	2,500,000	-
Legacies	20,965	108,344
<b>Total income from donations and legacies</b>	<u>4,568,325</u>	<u>132,125</u>

The total value of donations received from Trustees during the year was £20,180 (2024: £12,173).

	2025	2024
	£	£
<b>5 Income from charitable activities</b>		
Loan interest receivable from player loans	4,027	3,485
<b>Total income from charitable activities</b>	<u>4,027</u>	<u>3,485</u>

All income from charitable activities relates to unrestricted funds.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2025

	2025	2024
	£	£
<b>6 Investment income</b>		
Dividends and interest from investments	618,691	590,440
Bank interest received	14,845	-
<b>Total investment income</b>	<u>633,536</u>	<u>590,440</u>
<b>7 Expenditure on raising funds</b>	<b>2025</b>	<b>2024</b>
	£	£
Investment management fees	112,393	92,687
<b>Total expenditure on raising funds</b>	<u>112,393</u>	<u>92,687</u>
<b>8 Expenditure on charitable activities</b>	<b>2025</b>	<b>2024</b>
	£	£
Grants to the LSO Group (see Note 10)	1,406,129	300,000
Governance costs	16,607	9,730
<b>Total expenditure on charitable activities</b>	<u>1,422,736</u>	<u>309,730</u>
<b>9 Net income/(expenditure) is stated after charging:</b>	<b>2025</b>	<b>2024</b>
	£	£
Auditors' remuneration - audit fees	8,025	7,500

The Trustees did not receive any remuneration for their services to the Trust nor were they reimbursed for any expenses in either year.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2025

10 Analysis of grants payable and related party transactions	Grants to institutions	
	2025	2024
	£	£
LSO Discovery Short-Term Fund grant to LSO Productions Ltd for LSO Discovery	125,000	-
Anglo-Japanese Fund grant for scholarships	30,000	-
Digital (Endowment) Fund grant to LSO Live Ltd for Moving Music digital projects	730,000	300,000
Digital (Income) Fund grant to LSO Ltd for the reburishment of LSO St Luke's	521,129	-
<b>Total grants to the LSO Group</b>	<b><u>1,406,129</u></b>	<b><u>300,000</u></b>

As explained in the Trustees' report, London Symphony Orchestra Ltd (registered charity number 232391) is a connected charity. Grants made to the LSO and its subsidiaries, LSO Productions Ltd and LSO Live Ltd during the year are shown above.

There were no other related party transactions in the year.

### 11 Tangible fixed assets

Cost	Musical
	Instruments
	£
At 1 April 2024	<u>545,000</u>
At 31 March 2025	<u>545,000</u>
<b>Net book value</b>	
At 1 April 2024	<u>545,000</u>
At 31 March 2025	<u>545,000</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements Year ended 31 March 2025

	2025	2024
	£	£
<b>12 Investment assets</b>		
<b>Investment portfolio</b>		
Market value brought forward at 1 April	21,726,201	19,259,988
Additions	6,954,806	464,515
Disposals	(2,206,532)	(17,332)
	<u>26,474,475</u>	<u>19,707,171</u>
Increase/(decrease) in market value	1,097,516	2,019,030
<b>Total investment assets</b>	<u><b>27,571,991</b></u>	<u><b>21,726,201</b></u>

An analysis of the market value of investments at the year end is provided below:

	2025	2024
	£	£
Cash	346,488	1,612,399
Liquid Short Term Deposits	6,611,275	1,145,939
Fixed income/bonds	3,224,128	3,795,673
UK equities	1,019,237	871,395
Overseas equities	13,467,827	12,394,662
Hedge funds, private equity funds and other alternatives	2,104,301	1,261,102
Property funds	798,735	645,031
<b>Total</b>	<u><b>27,571,991</b></u>	<u><b>21,726,201</b></u>

There are no individual investments in excess of 10% of the total portfolio. The value of the investment portfolio at 31 May 2025 was £25,128,387.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2025

	2025	2024
	£	£
<b>13 Loans</b>		
Amounts owed by LSO players		
Due within one year	27,632	25,144
Due after one year	49,224	58,753
	<u>76,856</u>	<u>83,897</u>

The LSO players to whom concessionary loans have been made are shareholders of London Symphony Orchestra Ltd. The amounts owed by the LSO players are repayable over varying periods usually not exceeding 7 years. All loans bear interest at a variable rate linked to the Bank of England base rate. There were no loans to players that had been committed to but not taken up as at the 31 March 2025.

	2025	2024
	£	£
<b>14 Debtors: amounts falling due within one year</b>		
Accrued income	8,222	45,000
	<u>8,222</u>	<u>45,000</u>

Accrued income primarily relates to legacies to which the Trust is entitled, and gift aid payments not yet received.

	2025	2024
	£	£
<b>15 Creditors: amounts falling due within one year</b>		
Accruals	16,535	9,000
	<u>16,535</u>	<u>9,000</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2025

16 Statement of funds	Balance 1 April 2024 £	Income £	Expenditure £	Gains and losses £	Transfers £	Balance 31 March 2025 £
Unrestricted funds:						
General Fund	6,197,405	202,908	(40,094)	74,917	-	6,435,136
Strategic Fund	2,200,775	50,571	(9,299)	62,554	-	2,304,601
Wallis Fund	111,585	2,745	(475)	1,407	-	115,262
<b>Total unrestricted funds</b>	<b>8,509,765</b>	<b>256,224</b>	<b>(49,868)</b>	<b>138,878</b>	<b>-</b>	<b>8,854,999</b>
Restricted funds:						
LSO Discovery (long-term) Fund	2,248,350	63,046	(10,643)	38,135	-	2,338,888
LSO Discovery (short-term) Fund	537,094	11,058	(127,279)	15,552	-	436,425
Digital (income) Fund	521,159	2,814	(521,921)	18,988	-	21,040
LSO St Luke's Fund	600,000	2,022,482	(2,683)	104,678	-	2,724,477
Japanese Student Scholarship Fund	175,194	-	(30,000)	-	-	145,194
<b>Total restricted funds</b>	<b>4,081,797</b>	<b>2,099,400</b>	<b>(692,526)</b>	<b>177,353</b>	<b>-</b>	<b>5,666,024</b>
Endowment funds:						
Digital Fund	11,452,758	322,617	(784,315)	202,211	-	11,193,271
Composers' Fund	-	2,527,647	(8,420)	72,775	-	2,592,002
<b>Total endowment funds</b>	<b>11,452,758</b>	<b>2,850,264</b>	<b>(792,735)</b>	<b>274,986</b>	<b>-</b>	<b>13,785,273</b>
<b>Total funds</b>	<b>24,044,320</b>	<b>5,205,888</b>	<b>(1,535,129)</b>	<b>591,217</b>	<b>-</b>	<b>28,306,296</b>

Details of the various funds are set out below:

#### *General Fund*

This is the Trust's primary unrestricted fund in which all funds, except those with specific restrictions, are held. Part of the fund comprises instruments which are loaned to the LSO for use by its players, and the majority of funds are invested with the investment return used to make grants to the LSO.

#### *Strategic Fund*

This fund was created to receive income during the Covid-19 pandemic as part of the Always Playing Appeal. This is an unrestricted fund, with the main purpose being to provide strategic support to support the LSO during and after the pandemic, in particular to support its musicians and assist in the transition to a new business model over coming years.

#### *Wallis Fund*

This is an unrestricted fund which is accounted for separately in line with the requirements of a legacy that was received in 2021. Income and capital growth from the funds invested will be used to support LSO Discovery's work. The fund will be transferred to the General Fund after ten years, in March 2032.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2025

#### 16 Statement of funds (continued)

##### *LSO Discovery (long-term) Fund*

This fund is held for the long-term with funds invested and the investment return used to make grants to support the work of LSO Discovery (and related education and community projects).

##### *LSO Discovery (short-term) Fund*

This fund is to be used to support the work of LSO Discovery (and related education and community projects) over a defined time frame, typically less than 10 years.

##### *Digital Fund and Digital (income) Fund*

These two funds are used to fund audio visual recordings of concert performances by the LSO and the distribution of these worldwide, including to young people and new audiences. The funds are invested for the long-term with investment returns available to be drawn down. Until March 2023, only income generated could be drawn down - this income is held separately in the Digital (income) Fund. From April 2025, a total return approach has been applied to the Digital Fund through which both income and capital gains can be drawn within parameters designed to protect the value of the fund over time.

##### *LSO St Luke's Fund*

This fund has been established to receive funds to be used to support capital projects and other activity at LSO St Luke's.

##### *Japanese Student Scholarship Fund*

This fund was established to build Anglo-Japanese cultural relations by supporting the LSO's work in Japan and to provide scholarships to Japanese music students to assist them in studying at the Guildhall School of Music & Drama. The remaining funds held can only be used for scholarships.

##### *Composers' Fund*

This fund was established following a generous grant from the Helen Hamlyn Trust. The purpose of the fund is to provide world-class development opportunities for composers, in particular by supporting the LSO Helen Hamlyn Panufnik Composers' Scheme run by the LSO. The funds are invested for the long-term with investment returns in excess of the original grant available to be drawn down.

Comparative movements in funds for the prior year are shown in Note 17 to these accounts.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2025

17 Comparative statement of funds	Balance 1 April 2023 £	Income £	Expenditure £	Gains and losses £	Transfers £	Balance 31 March 2024 £
Unrestricted funds:						
General Fund	5,586,612	267,415	(28,972)	372,350		6,197,405
Strategic Fund	2,107,913	49,421	(8,334)	51,775	-	2,200,775
Wallis Fund	100,153	2,928	(463)	8,967	-	111,585
<b>Total unrestricted funds</b>	<b>7,794,678</b>	<b>319,764</b>	<b>(37,769)</b>	<b>433,092</b>	<b>-</b>	<b>8,509,765</b>
Restricted funds:						
LSO Discovery (long-term) Fund	2,019,359	60,773	(9,833)	178,051	-	2,248,350
LSO Discovery (short-term) Fund	513,048	9,443	(2,170)	16,773	-	537,094
LSO Discovery (one-off) Fund	-	-	-	-	-	-
Digital (income) Fund	821,159	-	(300,000)	-	-	521,159
LSO St Luke's Fund	600,000	-	-	-	-	600,000
Japanese Student Scholarship Fund	175,194	-	-	-	-	175,194
<b>Total restricted funds</b>	<b>4,128,760</b>	<b>70,216</b>	<b>(312,003)</b>	<b>194,824</b>	<b>-</b>	<b>4,081,797</b>
Endowment funds:						
Digital Fund	10,275,972	336,070	(52,645)	893,361	-	11,452,758
<b>Total endowment funds</b>	<b>10,275,972</b>	<b>336,070</b>	<b>(52,645)</b>	<b>893,361</b>	<b>-</b>	<b>11,452,758</b>
<b>Total funds</b>	<b>22,199,410</b>	<b>726,050</b>	<b>(402,417)</b>	<b>1,521,277</b>	<b>-</b>	<b>24,044,320</b>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2025

#### 18 Digital Fund - Total Return Approach

With effect from 1st April 2023, the Trust adopted a total return approach to the Digital Fund in line with the provisions of The Charities (Total Return) Regulations 2013. Under this approach, the Digital Fund is invested with the aim of maximising the total return (income and capital gains), with an appropriate proportion of unapplied total return available to be drawn down each year to support charitable activity. Until any unapplied total return is drawn down, it remains invested on the same basis as the rest of this fund.

	<b>Digital Fund</b>
	<b>£</b>
Opening value of fund at 1 April 2024	11,452,758
Less: Initial value of the fund (see note below)	(8,831,606)
Unapplied Total Return Brought Forward	<u>2,621,152</u>
Add: Investment return (net of fees)	470,513
Less: Drawdowns	(730,000)
Unapplied Total Return carried forward at 31 March 2025	<u>2,361,665</u>
Add: Initial value of the fund	8,831,606
<b>Closing value of the fund at 31 March 2025 including unapplied total return</b>	<b><u>11,193,271</u></b>

The initial value of the fund is the total amount held at the conclusion of the fundraising campaign that led to the creation of this fund.

#### 19 Post Balance Sheet Events

As explained in the Trustee's Report, a corporate trustee - LSOET Corporate Trustee Ltd - was appointed in June 2025 to replace the former Trustees. For completeness, the names of all the Trustees who served between 1st April 2024 and the date of signing this report are as follows:

Charles Clark (Chair)	Resigned 27 June 2025
Hon Sir Rocco Forte	Resigned 27 June 2025
Lady Aliai Forte	Resigned 27 June 2025
Richard Hardie	Resigned 27 June 2025
James Lennox Mackenzie OBE	Resigned 27 June 2025
Dame Kathryn McDowell	Resigned 27 June 2025
Lady Wendy Parmley	Resigned 27 June 2025
Sarah Quinn	Resigned 27 June 2025
Daniel Ross	Resigned 27 June 2025
John Shakeshaft	Resigned 27 June 2025
LSOET Corporate Trustee Ltd	Appointed 27 June 2025

**THE LONDON SYMPHONY ORCHESTRA ENDOWMENT TRUST**

England & Wales - Charity number 233700

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# Accounts

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**Charity Registration No. 233700**

**The London Symphony Orchestra  
Endowment Trust**

**Report and Financial Statements**

**31 March 2024**

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2023-24

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Trustees' report	2
Statement of trustees' responsibilities	6
Independent auditor's report	7
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the financial statements	13

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2023-24

### Officers and professional advisers

#### Trustees

Charles Clark (Chairman)  
Hon Sir Rocco Forte  
Lady Aliai Forte  
Richard Hardie  
James Lennox Mackenzie OBE  
Dame Kathryn McDowell  
Lady Wendy Parmley  
Sarah Quinn (appointed 25 April 2023)  
Harriet Rayfield (resigned 25 April 2023)  
Daniel Ross  
John Shakeshaft

#### Secretary

Rikesh Shah

#### Registered Office

Barbican Centre  
Silk Street  
London  
EC2Y 8DS

#### Investment managers

Sarasin & Partners  
Juxon House  
100 St Paul's Churchyard  
London  
EC2M 2AN

#### Bankers

Lloyds Bank plc  
34 Moorgate  
London  
EC2R 6PL

#### Solicitors

Veale Wasbrough Vizards LLP  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

#### Auditor

Haysmacintyre LLP  
10 Queen Street Place  
London EC4R 1AG

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2023-24

### Introduction

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2024.

### Structure, governance and management

#### *Constitution*

The London Symphony Orchestra Endowment Trust ("the Trust") was originally established by a deed of settlement dated 12 September 1963 which has subsequently been amended by a trust deed dated 22 October 1991, a Deed of Variation dated 5 July 2006 and a Deed of Amendment dated 1 October 2010.

#### *Trustees and organisation*

The Trustees have the power to appoint further Trustees, subject to there being a minimum of 3 and a maximum of 10 Trustees of whom not more than 4 may be directors of London Symphony Orchestra Ltd ("the LSO"). Non-LSO Trustees must always constitute a majority of the Trustees.

Subject to these limits, new Trustees are recruited on the basis that by virtue of their knowledge, experience and qualifications they will be able to make a contribution to the pursuit of the objects or the management of the Trust. Induction and training is provided to Trustees as necessary.

Names of the Trustees who served during the year and in office at the date of this report are listed on page one. The Trustees meet twice a year and, in addition, an Investment Committee meets during the year with the investment managers to review the performance of the investment portfolio and to discuss the investment approach.

#### *Connected charity*

The LSO (Charity Number 232391) is a connected charity of the Trust by virtue of the fact that the two charities have shared objectives and administration. However, the Trust is fully independent of the LSO and has its own Board of Trustees. The LSO's subsidiary companies, LSO Productions Ltd and LSO Live Ltd are considered to be related parties to the Trust.

#### *Objectives and activities*

The general purpose of the Trust is to support the objects of the LSO, namely to promote, maintain and advance education, particularly musical education and to encourage and advance the arts including music, drama, mime, dancing and singing.

The Trust's main activity is to build long-term funds which will generate returns that can be used to make grants which support the LSO as this is considered essential to being able to secure the LSO's future. The unrestricted General Fund is the main endowment fund which has been established for this purpose.

In addition, the Trust has received funds raised from the Lord Mayor's Appeals in 2004, 2010 and in 2017, as well as from a number of generous donors towards the Always Playing Appeal, established to support the LSO during and in the aftermath of the Covid-19 pandemic.

In 2012, the Trust raised income of almost £6m and this in turn released funding from the Arts Council England's Catalyst Endowment Scheme of a further £2.9m. The funds from this campaign, known as Moving Music, are invested in the Digital Fund as a restricted long-term endowment with the income generated used to capture audio and audio-visual recordings of the LSO's concert performances and to disseminate them to a wider audience.

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2023-24

The Trust also occasionally receives donations and legacies which are intended to be used for very specific purposes over a limited timeframe. These funds are accounted for separately in order to ensure that the wishes of the donor or legator are honoured.

The Trustees' principal focus is to manage the various funds in the most appropriate way given the relevant purposes and timescales, and to make grants to the LSO Group based on the needs of the LSO. The largest funds are all largely invested in order to maximise returns over the medium- and long-term.

The Trust also makes loans to LSO members to assist them in purchasing musical instruments, and has acquired a small number of instruments which are loaned to the LSO for use by members of the Orchestra.

The Trust does not use the services of volunteers and the minimal operational tasks of the Trust are undertaken by LSO staff.

### *Public benefit*

The Trust provides benefit to the public indirectly by providing funding to the LSO and thereby supporting a world class orchestra and its concert programme, as well as its wider activities including LSO Discovery's education and community programme, and international dissemination of performances through LSO Live.

The LSO's core activities encourage the education of, and participation in, music by the public at large. This is achieved through public concerts which have accessible ticket prices (and some of which are free of charge), some of which are broadcast on the radio, television and the internet and through audio recordings which are widely available at low cost.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit and they believe that the support provided to the LSO provides benefit to a wide section of the public.

### **Achievements and performance**

#### *Investment portfolio*

The Trust invests its assets with a view to both capital appreciation and the generation of income to support its charitable activities. There are no restrictions on the Trust's power to invest.

The investment strategy is set by the Trustees in discussion with the investment manager and this strategy is reviewed regularly. Within the overall strategy, the investment manager takes the decisions on selection, retention and realisation of investments.

The value of the investment portfolio increased to £21,726,201 reflecting purchases and sales made during the year and a net increase in market value of £2,019,030. Investment performance reflected market conditions and portfolios are positioned to meet agreed investment mandates. At 31 May 2024, the investment portfolio was valued at £24,157,671, reflecting changes in financial markets and additional sums invested after the year end.

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2023-24

From 1<sup>st</sup> April 2024, a total return approach has been applied to the Digital Fund through which both income and capital gains can be drawn within parameters designed to protect the value of the fund over time. The initial value of the fund is set as the amount held at the conclusion of the fundraising campaign that led to the creation of this fund. The unapplied total return at 1<sup>st</sup> April 2024 was the difference between the value of the investment fund at that date and the initial value of the fund.

Following advice from the Trust's solicitors and investment managers (see page 1), the Trust's policy is to draw 3.5% of the 3-year average value of the investment fund subject to sufficient unapplied total return being available. No drawdown was made in the year as charitable activity was funded from previously accumulated income, held separately in the Digital (income) Fund.

### *Fundraising*

Following the major appeal during the pandemic, active fundraising activity during the year was limited. Voluntary income reflected donations and legacies received and associated Gift Aid. The Trust continued to promote legacy giving amongst the LSO's supporters and audiences which is an increasingly important source of income which allows the Trust to increase its ability to support the LSO over time. The Trust did not engage the use of third-party fundraisers.

### *Grants*

During the year, a grant of £300,000 (2023: £609,836) from the Digital Fund was made to the LSO Group. Details of all grants made are set out in note 10.

### *Loans to Players*

The Trust continued to offer loans to members of the LSO to assist them in the purchase of instruments. There were 2 new loans were made to players during the year (2023: £nil). At the year-end, 11 players had outstanding loans from the Trust; further details are shown in Note 13 to the Financial Statements.

## **Financial review**

Total income received in the year was £726,050 (2023: £1,098,452), almost all of which related to donations, legacies, gift aid and income from investments.

Expenditure of £402,417 (2023: £637,573) was in line with expectations and related primarily to grants and investment management fees.

Net gains in the value of the investment portfolio were £1,521,277 reflecting strong performance of investment markets during the year. Following reinvestment of income and surplus cash, the value of the portfolio at the year-end was £21,726,201 (2023: £19,259,988).

The Trust's net assets increased from £22,199,410 to £24,044,320 at the year-end.

# **The London Symphony Orchestra Endowment Trust**

## **Trustees' report 2023-24**

### **Reserves policy**

Of the Trust's total funds of £24.0m, a total of £15.5m comprise Endowment Funds or Restricted Funds which can only be used for specific purposes. Of the remaining Unrestricted Funds, £2.3m are held for specific purposes leaving £6.2m in the unrestricted General Fund.

Much of the General Fund comprises investments, which are held to generate income and capital gains, together with instruments for use by the LSO and loans to Members of the LSO. Further amounts at the year end related to legacies due but not yet received, and which are also not liquid funds. Excluding the investments and the other assets which are not liquid, leaves a balance of £870,250 which the Trustees treat as free reserves. This amounts to more than the target level for free reserves of 5% of the General Fund (£310,000) and the surplus is being transferred to the investment portfolio and deposit accounts.

The level of free reserves is considered sufficient given that the Trust has minimal administrative overheads and no on-going liabilities. In addition, the vast majority of investments held in the General Fund are liquid and available for drawdown at short notice if needed. The Trustees review levels of reserves on an annual basis.

### **Risk review**

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The primary risks relate to protecting the value of the Trust's investment portfolio and other assets. Trustees delegate management of this risk to professional investment managers with oversight by the Investment Committee consisting of five of the Trustees.

Many factors affecting the achievement of the Trust's objectives relate to economic factors such as movement in share prices, interest rates, exchange rates and inflation and these are largely outside the Trust's control so can only be mitigated to a certain degree. However, the Trust has long-term time horizons and is largely able to absorb fluctuations in investment markets.

### **Plans for the future**

Work continues to secure donations for general purposes and specific projects. The Trust also continues to seek to increase the number of individuals who plan to donate a legacy to the Trust and the Trustees have been notified by a number of individuals of pledged legacies of varying sizes.

Careful oversight of the investment portfolio will continue in order to increase over time the value of grants made to support its charitable objectives. The policy of making grants to the LSO, LSO Productions Ltd and LSO Live Ltd is expected to continue along with loans to LSO members to assist with instrument purchases.

### **Going concern**

At the year-end the Trust had significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. The Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

### **Fundraising approach**

The Trust 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 Trust is registered with the Fundraising Regulator and adheres to the standards of the Code of Fundraising Practice. No complaints were received about the Trust's fundraising practices during the year.

# The London Symphony Orchestra Endowment Trust

## Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed on behalf of the Trustees



Charles Clark  
Chairman

8 July 2024

# **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

## **Opinion**

We have audited the financial statements of The London Symphony Orchestra Endowment Trust for the year ended 31 March 2024 which comprise statement of financial activities, the balance sheet, the statement of cash flows 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 charity's affairs as at 31 March 2024 and of the charity's net movement in funds 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 Charities Act 2011.

## **Basis for opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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

## **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity 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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the charities act, 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 Charities Act 2011 and consider other factors such as relevant taxation.

## Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of 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;
- 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
- Reviewing minutes of trustee meetings.

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](http://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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 15 July 2024

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## The London Symphony Orchestra Endowment Trust

### Statement of Financial Activities

Period ended 31 March 2024

	Note	2024 Unrestricted funds £	2024 Restricted funds £	2024 Endowment funds £	2024 Total funds £	2023 Total funds £
<b>Income and endowments from:</b>						
Donations and legacies	4	132,125	-	-	132,125	649,018
Charitable activities	5	3,485	-	-	3,485	1,281
Investment income	6	184,154	70,216	336,070	590,440	448,153
<b>Total income</b>		<b>319,764</b>	<b>70,216</b>	<b>336,070</b>	<b>726,050</b>	<b>1,098,452</b>
<b>Expenditure</b>						
Expenditure on:						
Raising funds	7	(28,039)	(12,003)	(52,645)	(92,687)	(19,175)
Charitable activities	8	(9,730)	(300,000)	-	(309,730)	(618,398)
<b>Total expenditure</b>		<b>(37,769)</b>	<b>(312,003)</b>	<b>(52,645)</b>	<b>(402,417)</b>	<b>(637,573)</b>
Net gains/(losses) on investments		433,092	194,824	893,361	1,521,277	(735,521)
<b>Net (expenditure)/ income</b>	9	<b>715,087</b>	<b>(46,963)</b>	<b>1,176,786</b>	<b>1,844,910</b>	<b>(274,642)</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>		<b>715,087</b>	<b>(46,963)</b>	<b>1,176,786</b>	<b>1,844,910</b>	<b>(274,642)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		7,794,678	4,128,760	10,275,972	22,199,410	22,474,052
<b>Total funds carried forward</b>		<b>8,509,765</b>	<b>4,081,797</b>	<b>11,452,758</b>	<b>24,044,320</b>	<b>22,199,410</b>

There were no other recognised gains or losses other than as shown above. All income and expenditure derive from continuing activities.

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

## The London Symphony Orchestra Endowment Trust

### Balance Sheet

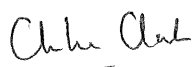
As at 31 March 2024

		2024	2024	2024	2024	2023
	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
		£	£	£	£	£
<b>Fixed assets</b>						
Tangible assets	11	545,000	-	-	545,000	545,000
Investment assets	12	6,954,249	3,319,194	11,452,758	21,726,201	19,259,988
Loans	13	58,753	-	-	58,753	72,740
<b>Total fixed assets</b>		<b>7,558,002</b>	<b>3,319,194</b>	<b>11,452,758</b>	<b>22,329,954</b>	<b>19,877,728</b>
<b>Current assets</b>						
Debtors: amounts falling due within one year	14	45,000	-	-	45,000	595,969
Loans	13	25,144	-	-	25,144	32,073
Cash at bank		890,619	762,603	-	1,653,222	1,709,967
<b>Total current assets</b>		<b>960,763</b>	<b>762,603</b>	<b>-</b>	<b>1,723,366</b>	<b>2,338,009</b>
<b>Current liabilities</b>						
Creditors: amounts falling due within one year	15	(9,000)	-	-	(9,000)	(16,327)
<b>Net current assets</b>		<b>951,763</b>	<b>762,603</b>	<b>-</b>	<b>1,714,366</b>	<b>2,321,682</b>
<b>Total net assets</b>		<b>8,509,765</b>	<b>4,081,797</b>	<b>11,452,758</b>	<b>24,044,319</b>	<b>22,199,410</b>
<b>Total funds of the charity</b>	16					
Funds brought forward		7,794,678	4,128,760	10,275,972	22,199,410	22,474,052
Excess/(shortfall) of income over expenditure for the year		281,995	(241,787)	283,425	323,633	460,879
Realised and unrealised increase / (decrease) in the value of investment assets		433,092	194,824	893,361	1,521,277	(735,521)
<b>Funds carried forward</b>		<b>8,509,765</b>	<b>4,081,797</b>	<b>11,452,758</b>	<b>24,044,320</b>	<b>22,199,410</b>

The notes on pages 13 to 24 form part of these accounts.

Approved by the Trustees on 8 July 2024.

Signed on behalf of the Board of Trustees



Charles Clark  
Chairman

## The London Symphony Orchestra Endowment Trust

### Statement of Cash Flows Year ended 31 March 2024

	Notes	2024 £	2023 £
<b>Cash used in operating activities</b>	A	(200,002)	(844,994)
<b>Cash flows from investing activities</b>			
Income from investments		590,440	448,153
Cash proceeds from the sale of investments		17,332	18,728,949
Purchase of investments		(464,515)	(18,918,735)
<b>Decrease in cash and cash equivalents in the year</b>		<u>(56,745)</u>	<u>(586,627)</u>
Cash and cash equivalents at the beginning of the year	B	1,709,967	2,296,594
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>1,653,222</u></u>	<u><u>1,709,967</u></u>

#### A Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds	1,844,910	(274,642)
Unrealised (gains)/losses on investments	(2,019,030)	306,466
Dividend and interest income from investments	(590,440)	(448,153)
Decrease/(increase) in loans	20,916	112,754
Decrease/(increase) in debtors	550,969	(549,946)
(Decrease)/increase in creditors	(7,327)	8,527
<b>Net cash used in operating activities</b>	<u><u>(200,002)</u></u>	<u><u>(844,994)</u></u>

#### B Analysis of net funds

	2024 £	2023 £
Cash at bank and in hand	1,653,222	1,709,967

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

### Year ended 31 March 2024

#### 1 Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. The financial statements are drawn up under the historical cost convention except that investments are carried at fair value.

The Trust meets the definition of a Public Benefit Entity under FRS 102.

##### b) Preparation of accounts on a going concern basis

The financial statements have been prepared on the basis that the Trust is and will remain a going concern for the foreseeable future. At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. Despite the on-going impacts of the pandemic, and having reviewed expected future cashflows, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability.

##### 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.

Donations are recognised when the Trust 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.

##### d) Funds

The General Fund is a general unrestricted fund and represents funds which are expendable at the discretion of Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Such funds represent investments, loans and working capital balances.

Restricted funds are funds subject to specific restrictions imposed by the donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Endowment funds are funds which the Trustees are legally required to invest for a period of at least 25 years for the Charity's purposes.

Further details of all funds are given in note 16.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

### Year ended 31 March 2024

#### 1 Accounting policies (continued)

##### e) Expenditure

Expenditure is recognised on an accruals basis.

##### f) Allocation of support and governance costs

General support costs relating to the operation of the charity, which are minimal, are borne by the London Symphony Orchestra and are not recognised in these financial statements. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice, including statutory audit fees and legal fees. Governance costs are related to charitable activities and have therefore been included under this heading.

##### g) Tangible fixed assets

Tangible fixed assets are stated at cost and represent three high quality string instruments. These instruments have not been depreciated because the Trustees are of the opinion that the net residual value is at least equal to the original cost.

##### h) Investments

Investments are stated at the market value as indicated by the Report of the Investment Managers to the Trustees as at the Balance Sheet date. Any resulting unrealised gain or loss is allocated to the fund to which it relates within the Statement of Financial Activities.

##### i) Financial instruments and concessionary loans

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Concessionary loans made to members of the LSO to assist them in the purchase of instruments are initially recognised at the amount paid with the carrying amount in subsequent periods adjusted to reflect interest, repayments and any impairment.

##### j) Taxation

The London Symphony Orchestra Endowment Trust is a registered charity and is thus exempt from tax on income and gains falling within Part 10 of the Income Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Trust.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2024

#### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 1, the Trustees 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

#### 3 Comparative Statement of Financial Activities and Balance Sheet

##### Comparative Statement of Financial Activities

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 Endowment funds £	2023 Total funds £
<b>Income and endowments from:</b>					
Donations and legacies	4	649,018	-	-	649,018
Charitable activities	5	1,281	-	-	1,281
Investment income	6	96,777	351,376	-	448,153
<b>Total income</b>		<b>747,076</b>	<b>351,376</b>	<b>-</b>	<b>1,098,452</b>
<b>Expenditure</b>					
Expenditure on:					
Raising funds	7	(5,369)	(3,553)	(10,253)	(19,175)
Charitable activities	8	(106,592)	(511,806)	-	(618,398)
<b>Total expenditure</b>		<b>(111,961)</b>	<b>(515,359)</b>	<b>(10,253)</b>	<b>(637,573)</b>
Net gains on investments		(165,168)	(89,241)	(481,112)	(735,521)
Transfers between funds		-	133,404	(133,404)	-
<b>Net movement in funds</b>		<b>469,947</b>	<b>(119,820)</b>	<b>(624,769)</b>	<b>(274,642)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		7,324,731	4,248,580	10,900,741	22,474,052
<b>Total funds carried forward</b>		<b>7,794,678</b>	<b>4,128,760</b>	<b>10,275,972</b>	<b>22,199,410</b>

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2023

### 3 Comparative Statement of Financial Activities and Balance Sheet (continued)

#### Comparative Balance Sheet

		2023	2023	2023	2023
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
<b>Fixed assets</b>					
Tangible assets	11	545,000	-	-	545,000
Investments assets	12	5,917,859	3,066,157	10,275,972	19,259,988
Loans	13	72,740	-	-	72,740
<b>Total fixed assets</b>		<b>6,535,599</b>	<b>3,066,157</b>	<b>10,275,972</b>	<b>19,877,728</b>
<b>Current assets</b>					
Debtors: amounts falling due within one	14	595,969	-	-	595,969
Loans	13	32,073	-	-	32,073
Cash at bank		647,364	1,062,603	-	1,709,967
<b>Total current assets</b>		<b>1,275,406</b>	<b>1,062,603</b>	<b>-</b>	<b>2,338,009</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within	15	(16,327)	-	-	(16,327)
<b>Net current assets</b>		<b>1,259,079</b>	<b>1,062,603</b>	<b>-</b>	<b>2,321,682</b>
<b>Total net assets</b>		<b>7,794,678</b>	<b>4,128,760</b>	<b>10,275,972</b>	<b>22,199,410</b>
<b>Total funds of the charity</b>					
Funds brought forward	17	7,324,731	4,248,580	10,900,741	22,474,052
(Shortfall)/excess of income over expenditure for		635,115	(163,983)	(10,253)	460,879
Realised and unrealised increase / (decrease) in		(165,168)	(89,241)	(481,112)	(735,521)
Transfers between funds			133,404	(133,404)	
<b>Funds carried forward</b>		<b>7,794,678</b>	<b>4,128,760</b>	<b>10,275,972</b>	<b>22,199,410</b>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2024

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>4 Income from donations and legacies</b>		
Donations	23,781	50,046
Legacies	108,344	598,972
<b>Total income from donations and legacies</b>	<u>132,125</u>	<u>649,018</u>

All income from donations and legacies in the year relates to Unrestricted Funds. The total value of donations received from Trustees during the year was £12,173 (2023: £nil).

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>5 Income from charitable activities</b>		
Loan interest receivable from player loans	3,485	1,281
<b>Total income from charitable activities</b>	<u>3,485</u>	<u>1,281</u>

All income from charitable activities relates to unrestricted funds.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2024

	2024	2023
	£	£
<b>6 Investment income</b>		
Dividends and interest from investments	590,440	448,153
<b>Total investment income</b>	<u>590,440</u>	<u>448,153</u>
<b>7 Expenditure on raising funds</b>		
Investment management costs	92,687	19,175
<b>Total expenditure on raising funds</b>	<u>92,687</u>	<u>19,175</u>
<b>8 Expenditure on charitable activities</b>		
Grants to the LSO Group (see Note 10)	300,000	609,836
Governance costs	9,730	8,562
<b>Total expenditure on charitable activities</b>	<u>309,730</u>	<u>618,398</u>
<b>9 Net income/(expenditure) is stated after charging:</b>		
Auditors' remuneration - audit fees	7,500	6,825

The Trustees did not receive any remuneration for their services to the Trust nor were they reimbursed for any expenses in either year.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

#### Year ended 31 March 2024

	Grants to institutions	
	2024	2023
	£	£
<b>10 Analysis of grants payable and related party transactions</b>		
Unrestricted General Fund grant to LSO Ltd	-	28,030
Unrestricted General Fund grant to LSO Productions Ltd for LSO Discovery	-	30,000
Strategic Fund grant to LSO Ltd	-	-
Strategic Fund grant to LSO Productions Ltd for LSO Discovery	-	40,000
Anglo-Japanese Fund grant for the LSO's work in Japan	-	140,275
Digital Fund grant to LSO Live Ltd for Moving Music digital projects	300,000	-
LSO Discovery (one-off) Fund grant to LSO Productions Ltd for LSO Discovery	-	321,530
Restricted Centre for Music Fund grant to LSO Ltd for concert at St Paul's Cathedral	-	50,000
<b>Total grants to the LSO Group</b>	<b>300,000</b>	<b>609,836</b>

As explained in the Trustees' report, London Symphony Orchestra Ltd (registered charity number 232391) is a connected charity. Grants made to the LSO and its subsidiaries, LSO Productions Ltd and LSO Live Ltd during the year are shown above.

There were no other related party transactions in the year.

#### 11 Tangible fixed assets

	Musical Instruments
Cost	£
At 1 April 2023	<u>545,000</u>
<b>At 31 March 2024</b>	<u>545,000</u>
<b>Net book value</b>	
At 31 March 2024	<u>545,000</u>
At 1 April 2023	<u>545,000</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

#### Year ended 31 March 2024

	2024	2023
	£	£
<b>12 Investment assets</b>		
<b>Investment portfolio</b>		
Market value brought forward at 1 April	19,259,988	19,376,668
Additions	464,515	18,918,735
Disposals	(17,332)	(18,728,949)
	<u>19,707,171</u>	<u>19,566,454</u>
Increase/(decrease) in market value	2,019,030	(306,466)
<b>Total investment assets</b>	<b><u>21,726,201</u></b>	<b><u>19,259,988</u></b>

An analysis of the market value of investments at the year end is provided below:

	2024	2023
	£	£
Cash	1,612,399	1,111,925
Liquid Short Term Deposits	1,145,939	1,365,730
Fixed income/bonds	3,795,673	3,300,178
UK equities	871,395	3,061,518
Overseas equities	12,394,662	7,661,617
Hedge funds, private equity funds and other alternatives	1,261,102	2,041,378
Property funds	645,031	717,642
<b>Total</b>	<b><u>21,726,201</u></b>	<b><u>19,259,988</u></b>

There are no individual investments in excess of 10% of the total portfolio. The value of the investment portfolio at 31 May 2024 was £24,157,671.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

#### Year ended 31 March 2024

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>13 Loans</b>		
Amounts owed by LSO players		
Due within one year	25,144	32,073
Due after one year	<u>58,753</u>	<u>72,740</u>
	<u>83,897</u>	<u>104,813</u>

The LSO players to whom concessionary loans have been made are shareholders of London Symphony Orchestra Ltd. The amounts owed by the LSO players are repayable over varying periods usually not exceeding 7 years. All loans bear interest at a variable rate linked to the Bank of England base rate. There were no loans to players that had been committed to but not taken up as at the 31 March 2024.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>14 Debtors: amounts falling due within one year</b>		
Accrued income	45,000	595,969
	<u>45,000</u>	<u>595,969</u>

Accrued income primarily relates to legacies to which the Trust is entitled, and gift aid payments not yet received.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>15 Creditors: amounts falling due within one year</b>		
Accruals	9,000	16,327
	<u>9,000</u>	<u>16,327</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2024

16 Statement of funds	Balance 1 April 2023 £	Income £	Expenditure £	Gains and losses £	Transfers £	Balance 31 March 2024 £
Unrestricted funds:						
General Fund	5,586,612	267,415	(28,972)	372,350		6,197,405
Strategic Fund	2,107,913	49,421	(8,334)	51,775	-	2,200,775
Wallis Fund	100,153	2,928	(463)	8,967	-	111,585
<b>Total unrestricted funds</b>	<b>7,794,678</b>	<b>319,764</b>	<b>(37,769)</b>	<b>433,092</b>	<b>-</b>	<b>8,509,765</b>
Restricted funds:						
LSO Discovery (long-term) Fund	2,019,359	60,773	(9,833)	178,051	-	2,248,350
LSO Discovery (short-term) Fund	513,048	9,443	(2,170)	16,773	-	537,094
LSO Discovery (one-off) Fund	-	-	-	-	-	-
Digital (income) Fund	821,159	-	(300,000)	-	-	521,159
LSO St Luke's Fund	600,000	-	-	-	-	600,000
Japanese Student Scholarship Fund	175,194	-	-	-	-	175,194
<b>Total restricted funds</b>	<b>4,128,760</b>	<b>70,216</b>	<b>(312,003)</b>	<b>194,824</b>	<b>-</b>	<b>4,081,797</b>
Endowment funds:						
Digital Fund	10,275,972	336,070	(52,645)	893,361	-	11,452,758
<b>Total endowment funds</b>	<b>10,275,972</b>	<b>336,070</b>	<b>(52,645)</b>	<b>893,361</b>	<b>-</b>	<b>11,452,758</b>
<b>Total funds</b>	<b>22,199,410</b>	<b>726,050</b>	<b>(402,417)</b>	<b>1,521,277</b>	<b>-</b>	<b>24,044,320</b>

Details of the various funds are set out below:

#### *General Fund*

This is the Trust's primary unrestricted fund in which all funds, except those with specific restrictions, are held. Part of the fund comprises instruments which are loaned to the LSO for use by its players, and the majority of funds are invested with the investment return used to make grants to the LSO.

#### *Strategic Fund*

This fund was created to receive income during the Covid-19 pandemic as part of the Always Playing Appeal. This is an unrestricted fund, with the main purpose being to provide strategic support to support the LSO during and after the pandemic, in particular to support its musicians and assist in the transition to a new business model over coming years.

#### *Wallis Fund*

This is an unrestricted fund which is accounted for separately in line with the requirements of a legacy that was received in 2021. Income and capital growth from the funds invested will be used to support LSO Discovery's work. The fund will be transferred to the General Fund after ten years, in March 2032.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2024

#### 16 Statement of funds (continued)

##### *LSO Discovery (long-term) Fund*

This fund is held for the long-term with funds invested and the investment return used to make grants to support the work of LSO Discovery (and related education and community projects).

##### *LSO Discovery (short-term) Fund*

This fund is to be used to support the work of LSO Discovery (and related education and community projects) over a defined time frame, typically less than 10 years.

##### *LSO Discovery (one-off) Fund*

This fund has been established following a donation which was to be used to support LSO Discovery's work.

##### *Digital Fund and Digital (income) Fund*

These two funds are used to fund audio visual recordings of concert performances by the LSO and the distribution of these worldwide, including to young people and new audiences. The funds are invested for the long-term with investment returns available to be drawn down. Until March 2023, only income generated could be drawn down - this income is held separately in the Digital (income) Fund. From April 2024, a total return approach has been applied to the Digital Fund through which both income and capital gains can be drawn within parameters designed to protect the value of the fund over time.

##### *LSO St Luke's Fund*

This fund has been established to receive funds to be used to support capital projects and other activity at LSO St Luke's.

##### *Japanese Student Scholarship Fund*

This fund was established to build Anglo-Japanese cultural relations by supporting the LSO's work in Japan and to provide scholarships to Japanese music students to assist them in studying at the Guildhall School of Music & Drama. The remaining funds held can only be used for scholarships.

##### *Centre for Music Fund*

The Centre for Music Fund represents a donation towards the Centre for Music project. As that project is now not progressing, it was agreed with the donor that the funds should be applied towards a joint project between the LSO and the Guildhall School of Music & Drama in June 2022.

Comparative movements in funds for the prior year are shown in Note 17 to these accounts.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2024

17 Comparative statement of funds	Balance			Gains and		Balance
	1 April	Income	Expenditure	losses	Transfers	31 March
	2022					2023
	£	£	£	£	£	£
Unrestricted funds:						
General Fund	5,094,883	698,715	(70,064)	(136,922)		5,586,612
Strategic Fund	2,122,223	52,225	(41,808)	(24,727)	-	2,107,913
Wallis Fund	107,625	(3,864)	(89)	(3,519)	-	100,153
<b>Total unrestricted funds</b>	<b>7,324,731</b>	<b>747,076</b>	<b>(111,961)</b>	<b>(165,168)</b>	<b>-</b>	<b>7,794,678</b>
Restricted funds:						
LSO Discovery (long-term) Fund	2,071,128	39,812	(1,823)	(89,758)	-	2,019,359
LSO Discovery (short-term) Fund	506,457	4,986	(1,260)	2,865	-	513,048
LSO Discovery (one-off) Fund	321,530	-	(321,530)	-	-	-
Digital (income) Fund	382,055	305,700	-	-	133,404	821,159
LSO St Luke's Fund	600,000	-	-	-	-	600,000
Japanese Student Scholarship Fund	317,410	878	(140,746)	(2,348)	-	175,194
Centre for Music Fund	50,000	-	(50,000)	-	-	-
<b>Total restricted funds</b>	<b>4,248,580</b>	<b>351,376</b>	<b>(515,359)</b>	<b>(89,241)</b>	<b>133,404</b>	<b>4,128,760</b>
Endowment funds:						
Digital Fund	10,900,741	-	(10,253)	(481,112)	(133,404)	10,275,972
<b>Total endowment funds</b>	<b>10,900,741</b>	<b>-</b>	<b>(10,253)</b>	<b>(481,112)</b>	<b>(133,404)</b>	<b>10,275,972</b>
<b>Total funds</b>	<b>22,474,052</b>	<b>1,098,452</b>	<b>(637,573)</b>	<b>(735,521)</b>	<b>-</b>	<b>22,199,410</b>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2024

#### 18 Digital Fund - Total Return Approach

With effect from 1st April 2023, the Trust adopted a total return approach to the Digital Fund in line with the provisions of The Charities (Total Return) Regulations 2013. Under this approach, the Digital Fund is invested with the aim of maximising the total return (income and capital gains), with an appropriate proportion of unapplied total return available to be drawn down each year to support charitable activity. Until any unapplied total return is drawn down, it remains invested on the same basis as the rest of this fund.

No drawdown of unapplied total return was made during the year as charitable activity has been funded from previously accumulated income held in the Digital (income) Fund.

	<b>Digital Fund</b>
	<b>£</b>
Opening value of fund at 1 April 2023	10,275,972
Less: Initial value of the fund (see note below)	(8,831,606)
	<hr/>
Unapplied Total Return Brought Forward	1,444,366
	<hr/>
Add: Investment return (net of fees)	1,176,786
	<hr/>
Less: Drawdowns	-
	<hr/>
Unapplied Total Return carried forward at 31 March 2024	2,621,152
	<hr/>
Add: Initial value of the fund	8,831,606
	<hr/>
<b>Closing value of the fund at 31 March 2024 including unapplied total return</b>	<b><u>11,452,758</u></b>

The initial value of the fund is the total amount held at the conclusion of the fundraising campaign that led to the creation of this fund.

#### 19 Post Balance Sheet Events

Shortly after the year end, the Trust received formal confirmation of a restricted grant of £2.5m from the Helen Hamlyn Trust to create an endowment fund. The return from this fund will be used to support the London Symphony Orchestra's work with young composers through The LSO Helen Hamlyn Panufnik Young Composers Scheme.

The Trust also received a restricted donation of £2m in June 2024 the purpose of which is to support the costs of the LSO's refurbishment of LSO St Luke's during 2025.

**THE LONDON SYMPHONY ORCHESTRA ENDOWMENT TRUST**

England & Wales - Charity number 233700

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# Accounts

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**Charity Registration No. 233700**

**The London Symphony Orchestra  
Endowment Trust**

**Report and Financial Statements**

**31 March 2023**

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2022-23

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Trustees' report	2
Statement of trustees' responsibilities	6
Independent auditor's report	7
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the financial statements	13

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2022-23

### Officers and professional advisers

#### Trustees

Charles Clark (Chairman)  
Hon Sir Rocco Forte  
Lady Aliai Forte  
Richard Hardie  
James Lennox Mackenzie OBE  
Dame Kathryn McDowell  
Lady Wendy Parmley  
Sarah Quinn (appointed 25 April 2023)  
Harriet Rayfield (resigned 25 April 2023)  
Daniel Ross  
John Shakeshaft

#### Secretary

Rikesh Shah

#### Registered Office

Barbican Centre  
Silk Street  
London  
EC2Y 8DS

#### Investment managers

Saunderson House 1 Long Lane London EC1A 9HF	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC2M 2AN
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#### Bankers

Lloyds Bank plc  
34 Moorgate  
London  
EC2R 6PL

#### Solicitors

Veale Wasbrough Vizards LLP  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

#### Auditor

Haysmacintyre LLP  
10 Queen Street Place  
London EC4R 1AG

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2022-23

### Introduction

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2023.

### Structure, governance and management

#### *Constitution*

The London Symphony Orchestra Endowment Trust ("the Trust") was originally established by a deed of settlement dated 12 September 1963 which has subsequently been amended by a trust deed dated 22 October 1991, a Deed of Variation dated 5 July 2006 and a Deed of Amendment dated 1 October 2010.

#### *Trustees and organisation*

The Trustees have the power to appoint further Trustees, subject to there being a minimum of 3 and a maximum of 10 Trustees of whom not more than 4 may be directors of London Symphony Orchestra Ltd ("the LSO"). Non-LSO Trustees must always constitute a majority of the Trustees.

Subject to these limits, new Trustees are recruited on the basis that by virtue of their knowledge, experience and qualifications they will be able to make a contribution to the pursuit of the objects or the management of the Trust. Induction and training is provided to Trustees as necessary.

Names of the Trustees who served during the year and in office at the date of this report are listed on page one. The Trustees meet twice a year and, in addition, an Investment Committee meets during the year with the investment managers to review the performance of the investment portfolio and to discuss the investment approach.

#### *Connected charity*

The LSO (Charity Number 232391) is a connected charity of the Trust by virtue of the fact that the two charities have shared objectives and administration. However, the Trust is fully independent of the LSO and has its own Board of Trustees. The LSO's subsidiary companies, LSO Productions Ltd and LSO Live Ltd are considered to be related parties to the Trust.

#### *Objectives and activities*

The general purpose of the Trust is to support the objects of the LSO, namely to promote, maintain and advance education, particularly musical education and to encourage and advance the arts including music, drama, mime, dancing and singing.

The Trust's main activity is to build long-term funds which will generate returns that can be used to make grants which support the LSO as this is considered essential to being able to secure the LSO's future. The Unrestricted General Fund is the main endowment fund which has been established for this purpose.

In addition, the Trust has received funds raised from the Lord Mayor's Appeals in 2004, 2010 and in 2017, as well as from a number of generous donors towards the Always Playing Appeal, established to support the LSO during and in the aftermath of the Covid-19 pandemic.

In 2012, the Trust raised income of almost £6m and this in turn released funding from the Arts Council England's Catalyst Endowment Scheme of a further £2.9m. The funds from this campaign, which is known as Moving Music, are invested as a restricted long-term endowment with the income generated used to capture audio and audio-visual recordings of the LSO's concert performances and to disseminate them to a wider audience.

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2022-23

The Trust also occasionally receives donations and legacies which are intended to be used for very specific purposes over a limited timeframe. These funds are accounted for separately in order to ensure that the wishes of the donor or legator are honoured.

The Trustees' principal focus is to manage the various funds in the most appropriate way given the relevant purposes and timescales, and to make grants to the LSO Group based on the needs of the LSO. The largest funds are all largely invested in order to maximise returns over the medium- and long-term.

The Trust also makes loans to LSO members to assist them in purchasing musical instruments, and has acquired a small number of instruments which are loaned to the LSO for use by members of the Orchestra.

The Trust does not use the services of volunteers and the minimal operational tasks of the Trust are undertaken by LSO staff.

### *Public benefit*

The Trust provides benefit to the public indirectly by providing funding to the LSO and thereby supporting a world class orchestra and its concert programme, as well as its wider activities including LSO Discovery's education and community programme, and international dissemination of performances through LSO Live.

The LSO's core activities encourage the education of, and participation in, music by the public at large. This is achieved through public concerts which have accessible ticket prices (and some of which are free of charge), some of which are broadcast on the radio, television and the internet and through audio recordings which are widely available at low cost.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit and they believe that the support provided to the LSO provides benefit to a wide section of the public.

## **Achievements and performance**

### *Investment portfolio*

The Trust invests its assets with a view to both capital appreciation and the generation of income to support its charitable activities. There are no restrictions on the Trust's power to invest.

Saunderson House managed the Trust's investments until July 2022 at which point they were transferred to Sarasin & Partners following a review and tender process.

The investment strategy is set by the Trustees in discussion with the investment manager and this strategy is reviewed regularly. Within the overall strategy, the investment manager takes the decisions on selection, retention and realisation of investments.

The value of the investment portfolio fell slightly to £19,259,988 reflecting purchases and sales made during the year (including through the transfer to new investment managers) and a net decrease in market value of £306,466. Investment performance reflected market conditions and portfolios are positioned to meet agreed investment mandates. At 31 May 2023, the investment portfolio was valued at £19,163,158, reflecting falls in financial markets after the year end.

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2022-23

During the year, the Trustees agreed a change in the terms of the funding towards the Moving Music fund received from Arts Council England. The original restriction that only income generated from the whole Moving Music fund could be drawn down has been withdrawn and a formal variation to this effect was agreed between the Trustees and Arts Council England in March 2023. From April 2023, a total return approach will be applied to the Moving Music fund through which both income and capital gains can be drawn within parameters designed to protect the value of the fund over time.

### *Fundraising*

The Always Playing Appeal, to support the LSO's recovery from the Covid-19 pandemic and to support its musicians, was completed in summer 2022 with the target set in the early stages of the pandemic being met. The Trustees wish to reiterate their gratitude to the lead donors to the Appeal, Alex and Elena Gerko, and to all those others who supported the Appeal.

A number of large legacies were received or confirmed during the year and these formed the majority of philanthropic income. The Trust continued to promote legacy giving amongst the LSO's supporters and audiences which is an increasingly important source of income which allows the Trust to increase its ability to support the LSO over time.

The Trust did not engage the use of third-party fundraisers.

### *Grants*

During the year, donations of £609,836 (2022: £187,535) were made to the LSO Group for a range of purposes in line with the purposes of various funds. The two largest grants related to support for LSO Discovery and for the Orchestra's tour to Japan. Details of all grants made are set out in note 10.

### *Loans to Players*

The Trust continued to offer loans to members of the LSO to assist them in the purchase of instruments. No new loans were made to players during the year (2022: £110,973). At the year-end, 14 players had outstanding loans from the Trust; further details are shown in Note 13 to the Financial Statements.

### **Financial review**

Total income received in the year was £1,098,452 (2022: £1,930,790), almost all of which related to donations, legacies, gift aid and income from investments.

Expenditure of £637,573 (2022: £294,274) was in line with expectations and related primarily to grants and investment management fees.

Net losses in the value of the investment portfolio were £735,521 (2022: Gains of £117,110) reflecting volatility in markets, particularly in the first quarter of 2023. Following reinvestment of income and surplus cash, the value of the portfolio at the year-end was £19,259,988 (2022: £19,376,668).

The Trust's net assets fell from £22,474,052 to £22,199,410 at the year-end.

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2022-23

### Reserves policy

Of the Trust's total funds of £22.2m, a total of £14.4m comprise Endowment Funds or Restricted Funds which can only be used for specific purposes. Of the remaining Unrestricted Funds, £2.2m are held for specific purposes leaving £5.6m in the unrestricted General Fund.

Much of the General Fund comprises investments, which are held to generate income, together with instruments for use by the LSO and loans to Members of the LSO. Further amounts at the year end related to legacies due but not yet received, and which are therefore not liquid funds. Excluding the investments, the other assets which are held for the long-term, and income accrued but not yet received, leaves a balance of £466,522 which the Trustees treat as free reserves. This amounts to slightly more than the target level for free reserves of 5% of the General Fund (£279,331). This level of free reserves is considered sufficient given that the Trust has minimal administrative overheads and no on-going liabilities. In addition, the vast majority of investments held in the General Fund are liquid and available for drawdown at short notice if needed.

The Trustees review levels of reserves on an annual basis.

### Risk review

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The primary risks relate to protecting the value of the Trust's investment portfolio and other assets. Trustees delegate management of this risk to professional investment managers with oversight by the Investment Committee consisting of five of the Trustees.

Many factors affecting the achievement of the Trust's objectives relate to economic factors such as movement in share prices, interest rates, exchange rates and inflation and these are largely outside the Trust's control so can only be mitigated to a certain degree. However, the Trust has long-term time horizons and is largely able to absorb fluctuations in investment markets.

### Plans for the future

Work continues to secure donations for general purposes and specific projects. The Trust also continues to seek to increase the number of individuals who plan to donate a legacy to the Trust and the Trustees have been notified by a number of individuals of pledged legacies of varying sizes.

Careful oversight of the investment portfolio will continue in order to increase over time the value of grants made to support its charitable objectives. The policy of making grants to the LSO, LSO Productions Ltd and LSO Live Ltd is expected to continue along with loans to LSO members to assist with instrument purchases.

### Going concern

At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. The Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

### Fundraising approach

The Trust 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 Trust is registered with the Fundraising Regulator and adheres to the standards of the Code of Fundraising Practice. No complaints were received about the Trust's fundraising practices during the year.

# The London Symphony Orchestra Endowment Trust

## Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed on behalf of the Trustees



Charles Clark  
Chairman

19 July 2023

# **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

## **Opinion**

We have audited the financial statements of The London Symphony Orchestra Endowment Trust for the year ended 31 March 2023 which comprise statement of financial activities, the balance sheet, the statement of cash flows 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 charity's affairs as at 31 March 2023 and of the charity's net movement in funds 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 Charities Act 2011.

## **Basis for opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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

## **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity 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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the charities act, 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 Charities Act 2011 and consider other factors such as income tax, payroll tax and sales tax.

## Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of 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, including during the Covid-19 remote working period;
- 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
- Reviewing minutes of trustee meetings.

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](http://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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 19th July 2023

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## The London Symphony Orchestra Endowment Trust

### Statement of Financial Activities

Period ended 31 March 2023

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 Endowment funds £	2023 Total funds £	2022 Total funds £
<b>Income and endowments from:</b>						
Donations and legacies	4	649,018	-	-	649,018	1,624,797
Charitable activities	5	1,281	-	-	1,281	-
Investment income	6	96,777	351,376	-	448,153	305,993
<b>Total income</b>		<b>747,076</b>	<b>351,376</b>	<b>-</b>	<b>1,098,452</b>	<b>1,930,790</b>
<b>Expenditure</b>						
Expenditure on:						
Raising funds	7	(5,369)	(3,553)	(10,253)	(19,175)	(98,901)
Charitable activities	8	(106,592)	(511,806)	-	(618,398)	(195,373)
<b>Total expenditure</b>		<b>(111,961)</b>	<b>(515,359)</b>	<b>(10,253)</b>	<b>(637,573)</b>	<b>(294,274)</b>
Net gains/(losses) on investments		(165,168)	(89,241)	(481,112)	(735,521)	117,110
<b>Net (expenditure)/ income</b>	9	<b>469,947</b>	<b>(253,224)</b>	<b>(491,365)</b>	<b>(274,642)</b>	<b>1,753,626</b>
Transfers between funds		-	133,404	(133,404)	-	-
<b>Net movement in funds</b>		<b>469,947</b>	<b>(119,820)</b>	<b>(624,769)</b>	<b>(274,642)</b>	<b>1,753,626</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		7,324,731	4,248,580	10,900,741	22,474,052	20,720,426
<b>Total funds carried forward</b>		<b>7,794,678</b>	<b>4,128,760</b>	<b>10,275,972</b>	<b>22,199,410</b>	<b>22,474,052</b>

There were no other recognised gains or losses other than as shown above. All income and expenditure derive from continuing activities.

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

## The London Symphony Orchestra Endowment Trust

### Balance Sheet

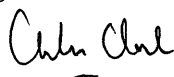
As at 31 March 2023

		2023	2023	2023	2023	2022
	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
		£	£	£	£	£
<b>Fixed assets</b>						
Tangible assets	11	545,000	-	-	545,000	545,000
Investment assets	12	5,917,859	3,066,157	10,275,972	19,259,988	19,376,668
Loans	13	72,740	-	-	72,740	160,614
<b>Total fixed assets</b>		<b>6,535,599</b>	<b>3,066,157</b>	<b>10,275,972</b>	<b>19,877,728</b>	<b>20,082,282</b>
<b>Current assets</b>						
Debtors: amounts falling due within one year	14	595,969	-	-	595,969	46,023
Loans	13	32,073	-	-	32,073	56,953
Cash at bank		647,364	1,062,603	-	1,709,967	2,296,594
<b>Total current assets</b>		<b>1,275,406</b>	<b>1,062,603</b>	<b>-</b>	<b>2,338,009</b>	<b>2,399,570</b>
<b>Current liabilities</b>						
Creditors: amounts falling due within one year	15	(16,327)	-	-	(16,327)	(7,800)
<b>Net current assets</b>		<b>1,259,079</b>	<b>1,062,603</b>	<b>-</b>	<b>2,321,682</b>	<b>2,391,770</b>
<b>Total net assets</b>		<b>7,794,678</b>	<b>4,128,760</b>	<b>10,275,972</b>	<b>22,199,410</b>	<b>22,474,052</b>
<b>Total funds of the charity</b>	16					
Funds brought forward		7,324,731	4,248,580	10,900,741	22,474,052	20,720,426
Excess/(shortfall) of income over expenditure for the year		635,115	(163,983)	(10,253)	460,879	1,636,516
Realised and unrealised increase / (decrease) in the value of investment assets		(165,168)	(89,241)	(481,112)	(735,521)	117,110
Transfers between funds		-	133,404	(133,404)	-	-
<b>Funds carried forward</b>		<b>7,794,678</b>	<b>4,128,760</b>	<b>10,275,972</b>	<b>22,199,410</b>	<b>22,474,052</b>

The notes on pages 13 to 24 form part of these accounts.

Approved by the trustees on 19 July 2023.

Signed on behalf of the Board of Trustees



Charles Clark  
Chairman

## The London Symphony Orchestra Endowment Trust

### Statement of Cash Flows Year ended 31 March 2023

	Notes	2023 £	2022 £
<b>Cash used in operating activities</b>	A	(844,994)	1,371,374
<b>Cash flows from investing activities</b>			
Interest from investments		448,153	305,993
Cash proceeds from the sale of investments		18,728,949	253,856
Purchase of investments		(18,918,735)	(701,625)
Purchase of fixed assets		-	-
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<u>(586,627)</u>	<u>1,229,598</u>
Cash and cash equivalents at the beginning of the year	B	2,296,594	1,066,996
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>1,709,967</u></u>	<u><u>2,296,594</u></u>

#### A Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	(274,642)	1,753,626
Unrealised (gains)/losses on investments	306,466	(324,200)
Dividend and interest income from investments	(448,153)	(305,993)
Decrease/(increase) in loans	112,754	(25,195)
(Increase) in debtors	(549,946)	338,729
Increase in creditors	8,527	(65,593)
<b>Net cash used in operating activities</b>	<u><u>(844,994)</u></u>	<u><u>1,371,374</u></u>

#### B Analysis of net funds

	2023 £	2022 £
Cash at bank and in hand	1,709,967	2,296,594

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

### Year ended 31 March 2023

#### 1 Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. The financial statements are drawn up under the historical cost convention except that investments are carried at fair value.

The Trust meets the definition of a Public Benefit Entity under FRS 102.

##### b) Preparation of accounts on a going concern basis

The financial statements have been prepared on the basis that the Trust is and will remain a going concern for the foreseeable future. At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. Despite the on-going impacts of the pandemic, and having reviewed expected future cashflows, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability.

##### 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.

Donations, are recognised when the Trust 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.

##### d) Funds

The General Fund is a general unrestricted fund and represents funds which are expendable at the discretion of Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Such funds represent investments, loans and working capital balances.

Restricted funds are funds subject to specific restrictions imposed by the donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Endowment funds are funds which the Trustees are legally required to invest for a period of at least 25 years for the Charity's purposes.

Further details of all funds are given in note 16.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2023

### 1 Accounting policies (continued)

#### e) Expenditure

Expenditure is recognised on an accruals basis.

#### f) Allocation of support and governance costs

General support costs relating to the operation of the charity, which are minimal, are borne by the London Symphony Orchestra and are not recognised in these financial statements. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice, including statutory audit fees and legal fees. Governance costs are related to charitable activities and have therefore been included under this heading.

#### g) Tangible fixed assets

Tangible fixed assets are stated at cost and represent three high quality string instruments. These instruments have not been depreciated because the Trustees are of the opinion that the net residual value is at least equal to the original cost.

#### h) Investments

Investments are stated at the market value as indicated by the Report of the Investment Managers to the Trustees as at the Balance Sheet date. Any resulting unrealised gain or loss is allocated to the fund to which it relates within the Statement of Financial Activities.

#### i) Financial instruments and concessionary loans

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Concessionary loans made to members of the LSO to assist them in the purchase of instruments are initially recognised at the amount paid with the carrying amount in subsequent periods adjusted to reflect interest, repayments and any impairment.

#### j) Taxation

The London Symphony Orchestra Endowment Trust is a registered charity and is thus exempt from tax on income and gains falling within Part 10 of the Income Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Trust.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2023

### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 1, the Trustees 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

### 3 Comparative Statement of Financial Activities and Balance Sheet

#### Comparative Statement of Financial Activities

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 Endowment funds £	2022 Total funds £
<b>Income and endowments from:</b>					
Donations and legacies	4	703,267	921,530	-	1,624,797
Charitable activities	5	-	-	-	-
Investment income	6	46,116	259,877	-	305,993
<b>Total income</b>		<b>749,383</b>	<b>1,181,407</b>	<b>-</b>	<b>1,930,790</b>
<b>Expenditure</b>					
Expenditure on:					
Raising funds	7	(23,363)	(15,732)	(59,806)	(98,901)
Charitable activities	8	(207,838)	12,465	-	(195,373)
<b>Total expenditure</b>		<b>(231,201)</b>	<b>(3,267)</b>	<b>(59,806)</b>	<b>(294,274)</b>
Net gains on investments		(213,258)	(16,077)	346,445	117,110
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>304,924</b>	<b>1,162,063</b>	<b>286,639</b>	<b>1,753,626</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		7,019,807	3,086,517	10,614,102	20,720,426
<b>Total funds carried forward</b>		<b>7,324,731</b>	<b>4,248,580</b>	<b>10,900,741</b>	<b>22,474,052</b>

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2023

### 3 Comparative Statement of Financial Activities and Balance Sheet (continued)

#### Comparative Balance Sheet

		2022	2022	2022	2022
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
<b>Fixed assets</b>					
Tangible assets	11	545,000	-	-	545,000
Investments assets	12	5,491,542	2,984,385	10,900,741	19,376,668
Loans	13	160,614	-	-	160,614
<b>Total fixed assets</b>		<b>6,197,156</b>	<b>2,984,385</b>	<b>10,900,741</b>	<b>20,082,282</b>
<b>Current assets</b>					
Debtors: amounts falling due within one	14	46,023	-	-	46,023
Loans	13	56,953	-	-	56,953
Cash at bank		1,032,399	1,264,195	-	2,296,594
<b>Total current assets</b>		<b>1,135,375</b>	<b>1,264,195</b>	<b>-</b>	<b>2,399,570</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within	15	(7,800)	-	-	(7,800)
<b>Net current assets</b>		<b>1,127,575</b>	<b>1,264,195</b>	<b>-</b>	<b>2,391,770</b>
<b>Total net assets</b>		<b>7,324,731</b>	<b>4,248,580</b>	<b>10,900,741</b>	<b>22,474,052</b>
<b>Total funds of the charity</b>					
Funds brought forward	17	7,019,807	3,086,517	10,614,102	20,720,426
(Shortfall)/excess of income over expenditure for		518,182	1,178,140	(59,806)	1,636,516
Realised and unrealised increase / (decrease) in		(213,258)	(16,077)	346,445	117,110
<b>Funds carried forward</b>		<b>7,324,731</b>	<b>4,248,580</b>	<b>10,900,741</b>	<b>22,474,052</b>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2023

	2023	2022
	£	£
<b>4 Income from donations and legacies</b>		
Donations	50,046	1,353,941
Legacies	598,972	270,856
<b>Total income from donations and legacies</b>	<u>649,018</u>	<u>1,624,797</u>

All income from donations and legacies in the year relates to Unrestricted Funds. The total value of donations received from Trustees during the year was £nil (2022: £12,500).

	2023	2022
	£	£
<b>5 Income from charitable activities</b>		
Loan interest receivable from player loans	1,281	-
<b>Total income from charitable activities</b>	<u>1,281</u>	<u>-</u>

All income from charitable activities relates to unrestricted funds.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2023

	2023	2022
	£	£
<b>6 Investment income</b>		
Dividends and interest from investments	448,153	305,993
<b>Total investment income</b>	<u>448,153</u>	<u>305,993</u>

	2023	2022
	£	£
<b>7 Expenditure on raising funds</b>		
Investment management costs	19,175	98,901
<b>Total expenditure on raising funds</b>	<u>19,175</u>	<u>98,901</u>

	2023	2022
	£	£
<b>8 Expenditure on charitable activities</b>		
Grants to the LSO Group (see Note 10)	609,836	187,535
Governance costs	8,562	7,838
<b>Total expenditure on charitable activities</b>	<u>618,398</u>	<u>195,373</u>

	2023	2022
	£	£
<b>9 Net income/(expenditure) is stated after charging:</b>		
Auditors' remuneration - audit fees	6,825	6,500

The Trustees did not receive any remuneration for their services to the Trust nor were they reimbursed for any expenses in either year.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2023

	Grants to institutions	
	2023	2022
<b>10 Analysis of grants payable and related party transactions</b>	£	£
Unrestricted General Fund grant to LSO Ltd	28,030	-
Unrestricted General Fund grant to LSO Productions Ltd for LSO Discovery	30,000	-
Strategic Fund grant to LSO Ltd	-	200,000
Strategic Fund grant to LSO Productions Ltd for LSO Discovery	40,000	-
Anglo-Japanese Fund grant for the LSO's work in Japan	140,275	12,500
Digital Fund grant to LSO Live Ltd for Moving Music digital projects	-	(24,965)
LSO Discovery (one-off) Fund grant to LSO Productions Ltd for LSO Discovery	321,530	-
Restricted Centre for Music Fund grant to LSO Ltd for concert at St Paul's Cathedral	50,000	-
<b>Total grants to the LSO Group</b>	<b>609,836</b>	<b>187,535</b>

As explained in the Trustees' report, London Symphony Orchestra Ltd (registered charity number 232391) is a connected charity. Grants made to the LSO and its subsidiaries, LSO Productions Ltd and LSO Live Ltd during the year are shown above.

There were no other related party transactions in the year.

### 11 Tangible fixed assets

	Musical Instruments
Cost	£
At 1 April 2022	<u>545,000</u>
<b>At 31 March 2023</b>	<u>545,000</u>
<b>Net book value</b>	
At 31 March 2023	<u>545,000</u>
At 1 April 2022	<u>545,000</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2023

	2023	2022
	£	£
<b>12 Investment assets</b>		
<b>Investment portfolio</b>		
Market value brought forward at 1 April	19,376,668	18,604,699
Additions	18,918,735	701,625
Disposals	<u>(18,728,949)</u>	<u>(253,856)</u>
	19,566,454	19,052,468
 (Decrease)/increase in market value	 (306,466)	 324,200
<b>Total investment assets</b>	<b><u>19,259,988</u></b>	<b><u>19,376,668</u></b>

An analysis of the market value of investments at the year end is provided below:

	2023	2022
	£	£
Cash	1,111,925	915,006
Liquid Short Term Deposits	1,365,730	392,471
Fixed income/bonds	3,300,178	6,373,839
UK equities	3,061,518	2,416,731
Overseas equities	7,661,617	8,025,013
Hedge funds, private equity funds and other alternatives	2,041,378	0
Property funds	717,642	1,253,608
<b>Total</b>	<b><u>19,259,988</u></b>	<b><u>19,376,668</u></b>

There are no individual investments in excess of 10% of the total portfolio. The value of the investment portfolio at 31 May 2023 was £19,163,158.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2023

	2023	2022
	£	£
<b>13 Loans</b>		
Amounts owed by LSO players		
Due within one year	32,073	56,953
Due after one year	<u>72,740</u>	<u>160,614</u>
	<u>104,813</u>	<u>217,567</u>

The LSO players to whom concessionary loans have been made are shareholders of London Symphony Orchestra Ltd. The amounts owed by the LSO players are repayable over varying periods usually not exceeding 7 years. All loans bear interest at a variable rate linked to the Bank of England base rate. However, during the Covid-19 pandemic these terms were varied and interest was waived until April 2022. There were no loans to players that had been committed to but not taken up as at the 31 March 2023.

	2023	2022
	£	£
<b>14 Debtors: amounts falling due within one year</b>		
Amounts due from LSO Group Companies	-	2,133
Accrued income	595,969	43,890
	<u>595,969</u>	<u>43,890</u>

Accrued income primarily relates to legacies to which the Trust is entitled, and gift aid payments not yet received.

	2023	2022
	£	£
<b>15 Creditors: amounts falling due within one year</b>		
Accruals	16,327	7,800
	<u>16,327</u>	<u>7,800</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2023

16 Statement of funds	Balance				Balance	
	1 April	Income	Expenditure	Gains and losses	31 March	
	2022				2023	
	£	£	£	£	£	
Unrestricted funds:						
General Fund	5,094,883	698,715	(70,064)	(136,922)	-	5,586,612
Strategic Fund	2,122,223	52,225	(41,808)	(24,727)	-	2,107,913
Wallis Fund	107,625	(3,864)	(89)	(3,519)	-	100,153
<b>Total unrestricted funds</b>	<b>7,324,731</b>	<b>747,076</b>	<b>(111,961)</b>	<b>(165,168)</b>	<b>-</b>	<b>7,794,678</b>
Restricted funds:						
LSO Discovery (long-term) Fund	2,071,128	39,812	(1,823)	(89,758)	-	2,019,359
LSO Discovery (short-term) Fund	506,457	4,986	(1,260)	2,865	-	513,048
LSO Discovery (one-off) Fund	321,530	-	(321,530)	-	-	-
Digital (income) Fund	382,055	305,700	-	-	133,404	821,159
LSO St Luke's Fund	600,000	-	-	-	-	600,000
Japanese Student Scholarship Fund	317,410	878	(140,746)	(2,348)	-	175,194
Centre for Music Fund	50,000	-	(50,000)	-	-	-
<b>Total restricted funds</b>	<b>4,248,580</b>	<b>351,376</b>	<b>(515,359)</b>	<b>(89,241)</b>	<b>133,404</b>	<b>4,128,760</b>
Endowment funds:						
Digital Fund	10,900,741	-	(10,253)	(481,112)	(133,404)	10,275,972
<b>Total endowment funds</b>	<b>10,900,741</b>	<b>-</b>	<b>(10,253)</b>	<b>(481,112)</b>	<b>(133,404)</b>	<b>10,275,972</b>
<b>Total funds</b>	<b>22,474,052</b>	<b>1,098,452</b>	<b>(637,573)</b>	<b>(735,521)</b>	<b>-</b>	<b>22,199,410</b>

Details of the various funds are set out below:

#### *General Fund*

This is the Trust's primary unrestricted fund in which all funds, except those with specific restrictions, are held. Part of the fund comprises instruments which are loaned to the LSO for use by its players, and the majority of funds are invested with the investment return used to make grants to the LSO.

#### *Strategic Fund - previously known as the Always Playing Appeal Fund*

This fund was created to receive income during the Covid-19 pandemic as part of the Always Playing Appeal. This is an unrestricted fund, with the main purpose being to provide strategic support to support the LSO during and after the pandemic, in particular to support its musicians and assist in the transition to a new business model over coming years.

#### *Wallis Fund*

This is an unrestricted fund which is accounted for separately in line with the requirements of a legacy that was received in 2021. Income and capital growth from the funds invested will be used to support LSO Discovery's work. The fund will be transferred to the General Fund after ten years, in March 2032.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2023

#### 16 Statement of funds (continued)

*LSO Discovery (long-term) Fund - previously known as the Lord Mayor's Appeal 2004 Fund*

This fund is held for the long-term with funds invested and the investment return used to make grants to support the work of LSO Discovery (and related education and community projects).

*LSO Discovery (short-term) Fund - previously known as the Lord Mayor's Appeal 2017 Fund*

This fund is to be used to support the work of LSO Discovery (and related education and community projects) over a defined time frame, typically less than 10 years.

*LSO Discovery (one-off) Fund - previously known as the LSO Discovery Fund*

This fund has been established following a donation which was to be used to support LSO Discovery's work.

*Digital Fund and Digital (income) Fund - previously known as the Moving Music Fund*

These two funds are used to fund audio visual recordings of concert performances by the LSO and the distribution of these worldwide, including to young people and new audiences. The funds are invested for the long-term with investment returns available to be drawn down. Until March 2023, only income generated could be drawn down - this income is held separately in the Digital (income) Fund. From April 2023, a total return approach will be applied to the Moving Music fund through which both income and capital gains can be drawn within parameters designed to protect the value of the fund over time.

*LSO St Luke's Fund*

This fund has been established to receive funds to be used to support capital projects and other activity at LSO St Luke's.

*Japanese Student Scholarship Fund - previously known as the Anglo-Japanese Fund*

This fund was established to build Anglo-Japanese cultural relations by supporting the LSO's work in Japan and to provide scholarships to Japanese music students to assist them in studying at the Guildhall School of Music & Drama. The remaining funds held can only be used for scholarships.

*Centre for Music Fund*

The Centre for Music Fund represents a donation towards the Centre for Music project. As that project is now not progressing, it was agreed with the donor that the funds should be applied towards a joint project between the LSO and the Guildhall School of Music & Drama in June 2022.

Comparative movements in funds for the prior year are shown in Note 17 to these accounts.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2023

17 Comparative statement of funds	Balance 1 April 2021 £	Income £	Expenditure £	Gains and losses £	Transfers £	Balance 31 March 2022 £
Unrestricted funds:						
General Fund	5,187,625	167,167	(29,876)	(122,408)	(107,625)	5,094,883
Strategic Fund	1,832,182	582,216	(201,325)	(90,850)	-	2,122,223
Wallis Fund	-	-	-	-	107,625	107,625
<b>Total unrestricted funds</b>	<b>7,019,807</b>	<b>749,383</b>	<b>(231,201)</b>	<b>(213,258)</b>	<b>-</b>	<b>7,324,731</b>
Restricted funds:						
LSO Discovery (long-term) Fund	2,085,786	24,726	(11,616)	(27,768)	-	2,071,128
LSO Discovery (short-term) Fund	489,042	5,842	(2,312)	13,885	-	506,457
LSO Discovery (one-off) Fund	-	321,530	-	-	-	321,530
Digital (income) Fund	129,416	227,674	24,965	-	-	382,055
LSO St Luke's Fund	-	600,000	-	-	-	600,000
Japanese Student Scholarship Fund	332,273	1,635	(14,304)	(2,194)	-	317,410
Centre for Music Fund	50,000	-	-	-	-	50,000
<b>Total restricted funds</b>	<b>3,086,517</b>	<b>1,181,407</b>	<b>(3,267)</b>	<b>(16,077)</b>	<b>-</b>	<b>4,248,580</b>
Endowment funds:						
Digital Fund	10,614,102	-	(59,806)	346,445	-	10,900,741
<b>Total endowment funds</b>	<b>10,614,102</b>	<b>-</b>	<b>(59,806)</b>	<b>346,445</b>	<b>-</b>	<b>10,900,741</b>
<b>Total funds</b>	<b>20,720,426</b>	<b>1,930,790</b>	<b>(294,274)</b>	<b>117,110</b>	<b>-</b>	<b>22,474,052</b>

**THE LONDON SYMPHONY ORCHESTRA ENDOWMENT TRUST**

England & Wales - Charity number 233700

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# Accounts

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**Charity Registration No. 233700**

**The London Symphony Orchestra  
Endowment Trust**

**Report and Financial Statements**

**31 March 2022**

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2021-22

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Trustees' report	2
Statement of trustees' responsibilities	6
Independent auditor's report	7
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the financial statements	13

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2021-22

### Officers and professional advisers

#### Trustees

Charles Clark (Chairman)  
Hon Sir Rocco Forte  
Lady Aliai Forte  
Richard Hardie  
James Lennox Mackenzie OBE  
Kathryn McDowell CBE  
Lady Wendy Parmley  
Harriet Rayfield  
Daniel Ross  
John Shakeshaft

#### Secretary

Rikesh Shah

#### Registered Office

Barbican Centre  
Silk Street  
London  
EC2Y 8DS

#### Investment managers

Saunderson House 1 Long Lane London EC1A 9HF	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC2M 2AN
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#### Bankers

Lloyds Bank plc  
34 Moorgate  
London  
EC2R 6PL

#### Solicitors

Veale Wasbrough Vizards LLP  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

#### Auditor

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

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2021-22

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2022.

### Structure, governance and management

#### *Constitution*

The London Symphony Orchestra Endowment Trust ("the Trust") was originally established by a deed of settlement dated 12 September 1963 which has subsequently been amended by a trust deed dated 22 October 1991, a Deed of Variation dated 5 July 2006 and a Deed of Amendment dated 1 October 2010.

#### *Trustees and organisation*

The Trustees have the power to appoint further Trustees, subject to there being a minimum of 3 and a maximum of 10 Trustees of whom not more than 4 may be directors of London Symphony Orchestra Ltd ("the LSO"). Non-LSO Trustees must always constitute a majority of the Trustees.

Subject to these limits, new Trustees are recruited on the basis that by virtue of their knowledge, experience and qualifications they will be able to make a contribution to the pursuit of the objects or the management of the Trust. Induction and training is provided to Trustees as necessary.

Names of the Trustees who served during the year and in office at the date of this report are listed on page one. The Trustees meet twice a year and, in addition, an Investment Committee meets during the year with the investment managers to review the performance of the investment portfolio and to discuss the investment approach.

#### *Connected charity*

The LSO (Charity Number 232391) is a connected charity of the Trust by virtue of the fact that the two charities have shared objectives and administration. However, the Trust is fully independent of the LSO and has its own Board of Trustees. The LSO's subsidiary companies, LSO Productions Ltd and LSO Live Ltd are considered to be related parties to the Trust.

#### *Objectives and activities*

The general purpose of the Trust is to support the objects of the LSO, namely to promote, maintain and advance education, particularly musical education and to encourage and advance the arts including music, drama, mime, dancing and singing.

The Trust's main activity is to build long-term funds which will generate returns that can be used to make grants which support the LSO as this is considered essential to being able to secure the LSO's future. The Unrestricted General Fund is the main endowment fund which has been established for this purpose.

In addition, the Trust has received funds raised from the Lord Mayor's Appeals in 2004, 2010 and in 2017, as well as from a number of generous donors towards the Always Playing Appeal, established to support the LSO during and in the aftermath of the Covid-19 pandemic.

In 2012, the Trust raised income of almost £6m and this in turn released funding from the Arts Council England's Catalyst Endowment Scheme of a further £2.9m. The funds from this campaign, which is known as Moving Music, are invested as a restricted long-term endowment with the income generated used to capture audio and audio-visual recordings of the LSO's concert performances and to disseminate them to a wider audience.

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2021-22

The Trust also occasionally receives from donations and legacies which are intended to be used for very specific purposes over a limited timeframe. These funds are accounted for separately in order to ensure that the wishes of the donor or legator are honoured.

The Trustees' principal focus is to manage the various funds in the most appropriate way given the relevant purposes and timescales, and to make grants to the LSO Group based on the needs of the LSO. The largest funds are all largely invested in order to maximise returns over the medium- and long-term.

The Trust also makes loans to LSO members to assist them in purchasing musical instruments, and has acquired a small number of instruments which are loaned to the LSO for use by members of the Orchestra.

The Trust does not use the services of volunteers and the minimal operational tasks of the Trust are undertaken by LSO staff.

### *Public benefit*

The Trust provides benefit to the public indirectly by providing funding to the LSO and thereby supporting a world class orchestra and its wider activities including LSO Discovery's education and community programme, and international dissemination of performances through LSO Live.

The LSO's core activities encourage the education of, and participation in, music by the public at large. This is achieved through public concerts which have accessible ticket prices, some of which are broadcast on the radio, television and the internet and through audio recordings which are widely available at low cost.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit and they believe that the support provided to the LSO provides benefit to a wide section of the public.

## **Achievements and performance**

### *Investment portfolio*

The Trust invests its assets with a view to both capital appreciation and the generation of income to support its charitable activities. There are no restrictions on the Trust's power to invest.

Saunderson House managed Trust's investments since 2016 until July 2022 at which they were transferred to Sarasin & Partners. Funds previously held with UBS were all drawn down during the year.

The investment strategy is set by the Trustees in discussion with the investment manager and this strategy is reviewed regularly. Within the overall strategy, the investment manager takes the decisions on selection, retention and realisation of investments.

The value of the investment portfolio rose to £19,376,668 at the year-end reflecting additions of £701,624, disposals of £253,856 and unrealised gains of £324,200. Investment performance reflected market conditions and portfolios are positioned to meet agreed investment mandates. At 30 June 2022, the investment portfolio was valued at £17,933,654, reflecting falls in financial markets after the year end.

### *Fundraising*

During the year, the Trust continued the fundraising campaign known as the Always Playing Appeal to support the LSO's recovery from the Covid-19 pandemic and to support its musicians. As the LSO emerges from the most challenging period of a generation, it is facing the most financially challenging years in its history. To sustain the Orchestra through coming years, the aim of the Always Playing Appeal is to preserve the artistic excellence of the LSO's musicians and support the LSO in its implementation of a new strategy responding to the changes wrought by the pandemic.

# The London Symphony Orchestra Endowment Trust

## Trustees' report 2021-22

By July 2022, over £5m had been raised towards the Always Playing Appeal, reaching the target set in the early stages of the pandemic. This total includes donations and other income received by the Trust as well as various grants received directly by the LSO. The Trustees and LSO are hugely grateful to the lead donors to the Appeal, Alex and Elena Gerko, and to all those who have chosen to support the Appeal.

The Trust also continued to promote legacy giving amongst the LSO's supporters and audiences which is an increasingly important source of income which allows the Trust to increase its ability to support the LSO over time.

The Trust did not engage the use of third party fundraisers.

### *Grants*

During the year, donations of £200,000 (2021: £186,631) were made to LSO Ltd from the Always Playing Fund and of £12,500 (2021: £12,500) from the Anglo Japanese fund to support the Japanese music students. No other grants were made during the year. Details of all prior year grants are set out in note 10.

### *Loans to Players*

The Trust continued to offer loans to members of the LSO to assist them in the purchase of instruments. Five new loans totalling £110,973 were made to players during the year (2021: £nil). At the year-end, 21 players had outstanding loans from the Trust; further details are shown in Note 13 to the Financial Statements.

### **Financial review**

Total income received in the year was £1,930,790 (2021: £2,312,131), the majority of which related to donations, legacies, gift aid and income from investments.

Expenditure of £294,274 (2021: £748,975) was in line with expectations and related primarily to grants and investment management fees.

Gains in the value of the investment portfolio were £117,110 (2021: Gains of £3,048,994). Following reinvestment of income and surplus cash, the value of the portfolio at the year-end was £19,376,668 (2021: £18,604,699).

The Trust's total reserves increased from £20,720,426 to £22,474,052 at the year-end.

### **Reserves policy**

Of the Trust's total funds of £22,474,052, a total of £15,149,320 comprise Endowment Funds or Restricted Funds and which can only be used for specific purposes. Of the remaining Unrestricted Funds, £2,229,848 are held for specific purposes leaving £5,094,883 in the unrestricted General Fund.

Much of the General Fund comprises investments, which are held to generate income together with instruments for use by the LSO and loans to Members of the LSO. Excluding the investments and these other assets, which are held for the long-term, leaves a balance of £269,447 which the Trustees treat as free reserves. This amounts to slightly more than the target level for free reserves of 5% of the General Fund (£254,744). This level of free reserves is considered sufficient given that the Trust has minimal administrative overheads and no on going liabilities. In addition, the vast majority of investments held in the General Fund are liquid and available for drawdown at short notice if needed.

The Trustees review levels of reserves on an annual basis.

# **The London Symphony Orchestra Endowment Trust**

## **Trustees' report 2021-22**

### **Risk review**

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The primary risks relate to protecting the value of the Trust's investment portfolio and other assets. Trustees delegate management of this risk to professional investment managers with oversight by the Investment Committee consisting of five of the Trustees, and the Trust's Secretary.

Many factors affecting the achievement of the Trust's objectives relate to economic factors such as movement in share prices, interest rates, exchange rates and inflation are largely outside the Trust's control so can only be mitigated to a certain degree. However, the Trust has long-term time horizons and is largely able to absorb fluctuations in investment markets.

### **Plans for the future**

The Always Playing Appeal is due to conclude in summer 2022, and work will then continue to secure further donations for general purposes and specific projects. Careful oversight of the investment portfolio will also continue in order to increase over time the value of grants made to support its charitable objectives.

The Trust also continues to seek to increase the number of individuals who plan to donate a legacy to the Trust and the Trustees have been notified by a number of individuals of pledged legacies of varying sizes.

The policy of making grants to the LSO, LSO Productions Ltd and LSO Live Ltd is expected to continue along with loans to LSO members to assist with instrument purchases.

### **Going concern**

At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. The Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

### **Fundraising approach**

The Trust 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 Trust is registered with the Fundraising Regulator and adheres to the standards of the Code of Fundraising Practice. No complaints were received about the Trust's fundraising practices during the year.

# The London Symphony Orchestra Endowment Trust

## Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed on behalf of the Trustees



Charles Clark  
Chairman

28 July 2022

# **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

## **Opinion**

We have audited the financial statements of The London Symphony Orchestra Endowment Trust for the year ended 31 March 2022 which comprise statement of financial activities, the balance sheet, the statement of cash flows 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 charity's affairs as at 31 March 2022 and of the charity's net movement in funds 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 Charities Act 2011.

## **Basis for opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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

## **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity 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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the charities act, 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 Charities Act 2011 and consider other factors such as income tax, payroll tax and sales tax.

## Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of 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, including during the Covid-19 remote working period;
- 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
- Reviewing minutes of trustee meetings.

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](http://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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: **1 August 2022**

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## The London Symphony Orchestra Endowment Trust

### Statement of Financial Activities

Period ended 31 March 2022

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 Endowment funds £	2022 Total funds £	2021 Total funds £
<b>Income and endowments from:</b>						
Donations and legacies	4	703,267	921,530	-	1,624,797	2,002,337
Charitable activities	5	-	-	-	-	-
Investment income	6	46,116	259,877	-	305,993	309,794
<b>Total income</b>		<b>749,383</b>	<b>1,181,407</b>	<b>-</b>	<b>1,930,790</b>	<b>2,312,131</b>
<b>Expenditure</b>						
Expenditure on:						
Raising funds	7	(23,363)	(15,732)	(59,806)	(98,901)	(90,174)
Charitable activities	8	(207,838)	12,465	-	(195,373)	(658,801)
<b>Total expenditure</b>		<b>(231,201)</b>	<b>(3,267)</b>	<b>(59,806)</b>	<b>(294,274)</b>	<b>(748,975)</b>
Net gains/(losses) on investments		(213,258)	(16,077)	346,445	117,110	3,048,994
<b>Net (expenditure)/ income</b>	9	<b>304,924</b>	<b>1,162,063</b>	<b>286,639</b>	<b>1,753,626</b>	<b>4,612,150</b>
<b>Net movement in funds</b>		<b>304,924</b>	<b>1,162,063</b>	<b>286,639</b>	<b>1,753,626</b>	<b>4,612,150</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		7,019,807	3,086,517	10,614,102	20,720,426	16,108,276
<b>Total funds carried forward</b>		<b>7,324,731</b>	<b>4,248,580</b>	<b>10,900,741</b>	<b>22,474,052</b>	<b>20,720,426</b>

There were no other recognised gains or losses other than as shown above. All income and expenditure derive from continuing activities.

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

## The London Symphony Orchestra Endowment Trust

### Balance Sheet

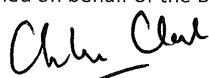
As at 31 March 2022

		2022	2022	2022	2022	2021
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Total funds £
<b>Fixed assets</b>						
Tangible assets	11	545,000	-	-	545,000	545,000
Investment assets	12	5,491,542	2,984,385	10,900,741	19,376,668	18,604,699
Loans	13	160,614	-	-	160,614	157,960
<b>Total fixed assets</b>		<b>6,197,156</b>	<b>2,984,385</b>	<b>10,900,741</b>	<b>20,082,282</b>	<b>19,307,659</b>
<b>Current assets</b>						
Debtors: amounts falling due within one year	14	46,023	-	-	46,023	384,752
Loans	13	56,953	-	-	56,953	34,412
Cash at bank		1,032,399	1,264,195	-	2,296,594	1,066,996
<b>Total current assets</b>		<b>1,135,375</b>	<b>1,264,195</b>	<b>-</b>	<b>2,399,570</b>	<b>1,486,160</b>
<b>Current liabilities</b>						
Creditors: amounts falling due within one year	15	(7,800)	-	-	(7,800)	(73,393)
<b>Net current assets</b>		<b>1,127,575</b>	<b>1,264,195</b>	<b>-</b>	<b>2,391,770</b>	<b>1,412,767</b>
<b>Total net assets</b>		<b>7,324,731</b>	<b>4,248,580</b>	<b>10,900,741</b>	<b>22,474,052</b>	<b>20,720,426</b>
<b>Total funds of the charity</b>	16					
Funds brought forward		7,019,807	3,086,517	10,614,102	20,720,426	16,108,276
Excess/(shortfall) of income over expenditure for the year		518,182	1,178,140	(59,806)	1,636,516	1,563,156
Realised and unrealised increase / (decrease) in the value of investment assets		(213,258)	(16,077)	346,445	117,110	3,048,994
Transfers between funds		-	-	-	-	-
<b>Funds carried forward</b>		<b>7,324,731</b>	<b>4,248,580</b>	<b>10,900,741</b>	<b>22,474,052</b>	<b>20,720,426</b>

The notes on pages 13 to 24 form part of these accounts.

Approved by the trustees on 28 July 2022.

Signed on behalf of the Board of Trustees



Charles Clark  
Chairman

## The London Symphony Orchestra Endowment Trust

### Statement of Cash Flows Year ended 31 March 2022

	Notes	2022 £	2021 £
Cash used in operating activities	A	1,371,374	808,522
<b>Cash flows from investing activities</b>			
Interest from investments		305,993	309,794
Cash proceeds from the sale of investments		253,856	1,172,677
Purchase of investments		(701,625)	(1,517,488)
Purchase of fixed assets		-	-
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<u>1,229,598</u>	<u>773,505</u>
Cash and cash equivalents at the beginning of the year	B	1,066,996	293,491
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>2,296,594</u></u>	<u><u>1,066,996</u></u>

#### A Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net movement in funds	1,753,626	4,612,150
Unrealised (gains)/losses on investments	(324,200)	(3,268,614)
Dividend and interest income from investments	(305,993)	(309,794)
Decrease/(increase) in loans	(25,195)	40,342
(Increase) in debtors	338,729	(333,135)
Increase in creditors	(65,593)	67,573
<b>Net cash used in operating activities</b>	<u><u>1,371,374</u></u>	<u><u>808,522</u></u>

#### B Analysis of net funds

	2022 £	2021 £
Cash at bank and in hand	2,296,594	1,066,996

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

### Year ended 31 March 2022

#### 1 Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. The financial statements are drawn up under the historical cost convention except that investments are carried at fair value.

The Trust meets the definition of a Public Benefit Entity under FRS 102.

##### b) Preparation of accounts on a going concern basis

The financial statements have been prepared on the basis that the Trust is and will remain a going concern for the foreseeable future. At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. Despite the on-going impacts of the pandemic, and having reviewed expected future cashflows, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability.

##### 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.

Donations, are recognised when the Trust 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.

##### d) Funds

The General Fund is a general unrestricted fund and represents funds which are expendable at the discretion of Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Such funds represent investments, loans and working capital balances.

Restricted funds are funds subject to specific restrictions imposed by the donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Endowment funds are funds which the Trustees are legally required to invest for a period of at least 25 years for the Charity's purposes.

Further details of the restricted and endowment funds are given in note 17.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2022

### 1 Accounting policies (continued)

#### e) Expenditure

Expenditure is recognised on an accruals basis.

#### f) Allocation of support and governance costs

General support costs relating to the operation of the charity, which are minimal, are borne by the London Symphony Orchestra and are not recognised in these financial statements. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees. Governance costs are related to charitable activities and have therefore been included under this heading.

#### g) Tangible fixed assets

Tangible fixed assets are stated at cost and represent three high quality string instruments. These instruments have not been depreciated because the Trustees are of the opinion that the net residual value is at least equal to the original cost.

#### h) Investments

Investments are stated at the market value as indicated by the Report of the Investment Managers to the Trustees as at the Balance Sheet date. Any resulting unrealised gain or loss is allocated to the fund to which it relates within the Statement of Financial Activities.

#### i) Financial instruments and concessionary loans

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Concessionary loans made to members of the LSO to assist them in the purchase of instruments are initially recognised at the amount paid with the carrying amount in subsequent periods adjusted to reflect interest, repayments and any impairment.

#### j) Taxation

The London Symphony Orchestra Endowment Trust is a registered charity and is thus exempt from tax on income and gains falling within Part 10 of the Income Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Trust.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2022

### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 1, the Trustees 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

### 3 Comparative Statement of Financial Activities and Balance Sheet

#### Comparative Statement of Financial Activities

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Endowment funds £	2021 Total funds £
<b>Income and endowments from:</b>					
Donations and legacies	4	2,002,337	-	-	2,002,337
Charitable activities	5	-	-	-	-
Investment income	7	46,485	263,309	-	309,794
<b>Total income</b>		<b>2,048,822</b>	<b>263,309</b>	<b>-</b>	<b>2,312,131</b>
<b>Expenditure</b>					
Expenditure on:					
Raising funds	8	(17,431)	(17,291)	(55,452)	(90,174)
Charitable activities	9	(176,310)	(482,491)	-	(658,801)
<b>Total expenditure</b>		<b>(193,741)</b>	<b>(499,782)</b>	<b>(55,452)</b>	<b>(748,975)</b>
Net gains on investments	10	598,977	541,290	1,908,727	3,048,994
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>2,454,058</b>	<b>304,816</b>	<b>1,853,275</b>	<b>4,612,150</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		4,565,749	2,781,700	8,760,827	16,108,276
<b>Total funds carried forward</b>		<b>7,019,807</b>	<b>3,086,517</b>	<b>10,614,102</b>	<b>20,720,426</b>

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2022

### 3 Comparative Statement of Financial Activities and Balance Sheet (continued)

#### Comparative Balance Sheet

		2021	2021	2021	2021
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
<b>Fixed assets</b>					
Tangible assets	11	545,000	-	-	545,000
Investments assets	12	5,224,279	2,766,318	10,614,102	18,604,699
Loans	13	157,960	-	-	157,960
<b>Total fixed assets</b>		<b>5,927,239</b>	<b>2,766,318</b>	<b>10,614,102</b>	<b>19,307,659</b>
<b>Current assets</b>					
Debtors: amounts falling due within one	14	122,308	262,444	-	384,752
Loans	13	34,412	-	-	34,412
Cash at bank		1,009,241	57,755	-	1,066,996
<b>Total current assets</b>		<b>1,165,961</b>	<b>320,199</b>	<b>-</b>	<b>1,486,160</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within	15	(73,393)	-	-	(73,393)
<b>Net current assets</b>		<b>1,092,568</b>	<b>320,199</b>	<b>-</b>	<b>1,412,767</b>
<b>Total net assets</b>		<b>7,019,807</b>	<b>3,086,517</b>	<b>10,614,102</b>	<b>20,720,426</b>
<b>Total funds of the charity</b>					
Funds brought forward	17	4,565,749	2,781,700	8,760,827	16,108,276
(Shortfall)/excess of income over expenditure for		1,855,081	(236,473)	(55,452)	1,563,156
Realised and unrealised increase / (decrease) in		598,977	541,290	1,908,727	3,048,994
<b>Funds carried forward</b>		<b>7,019,807</b>	<b>3,086,517</b>	<b>10,614,102</b>	<b>20,720,426</b>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2022

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>4 Income from donations and legacies</b>		
Donations	1,353,941	1,842,576
Legacies	270,856	159,761
<b>Total income from donations and legacies</b>	<u>1,624,797</u>	<u>2,002,337</u>

All income from donations and legacies in the year relates to Unrestricted Funds. The total value of donations received from Trustees during the year was £12,500 (2021: £105,000).

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>5 Income from charitable activities</b>		
Loan interest receivable from player loans	-	-
<b>Total income from charitable activities</b>	<u>-</u>	<u>-</u>

All income from charitable activities relates to unrestricted funds.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2022

	2022	2021
	£	£
<b>6 Investment income</b>		
Dividends and interest from investments	305,993	309,794
<b>Total investment income</b>	<u>305,993</u>	<u>309,794</u>
	<b>2022</b>	<b>2021</b>
	£	£
<b>7 Expenditure on raising funds</b>		
Investment management costs	98,901	90,174
<b>Total expenditure on raising funds</b>	<u>98,901</u>	<u>90,174</u>
	<b>2022</b>	<b>2021</b>
	£	£
<b>8 Expenditure on charitable activities</b>		
Grants to LSO Group (see Note 10)	187,535	652,646
Governance costs	7,838	6,155
<b>Total expenditure on charitable activities</b>	<u>195,373</u>	<u>658,801</u>
	<b>2022</b>	<b>2021</b>
	£	£
<b>9 Net income/(expenditure) is stated after charging:</b>		
Auditors' remuneration - audit fees	6,500	5,100

The Trustees did not receive any remuneration for their services to the Trust nor were they reimbursed for any expenses in either year.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2022

	Grants to institutions	
	2022	2021
	£	£
<b>10 Analysis of grants payable and related party transactions</b>		
Always Playing Appeal Fund grant to LSO Ltd to provide support during the pandemic	200,000	170,155
Lord Mayor's Appeal 2004 grant to LSO Productions Ltd for LSO Discovery activities	-	157,000
Lord Mayor's Appeal 2017 grant to LSO Productions Ltd for LSO Discovery activities	-	100,000
Anglo-Japanese Fund grant for the LSO's work in Japan and Scholarships	12,500	32,975
Endowment Fund grant to LSO Live Ltd for Moving Music digital projects	(24,965)	158,016
Restricted Fund grant for lunchtime concerts at LSO St Luke's	-	34,500
<b>Total grants to LSO Group</b>	<b><u>187,535</u></b>	<b><u>652,646</u></b>

The figure shown against Endowment Fund grant to LSO Live Ltd in 2021-22 (£24,965) reflects a partial repayment of a grant paid in the previous year.

As explained in the Trustees' report, London Symphony Orchestra Ltd (registered charity number 232391) is a connected charity. Grants made to the LSO and its subsidiaries, LSO Productions Ltd and LSO Live Ltd during the year are shown above.

There were no other related party transactions in the year.

### 11 Tangible fixed assets

	Musical Instruments
Cost	£
At 1 April 2021	<u>545,000</u>
<b>At 31 March 2022</b>	<b><u>545,000</u></b>
<b>Net book value</b>	
At 31 March 2022	<u>545,000</u>
At 1 April 2021	<u>545,000</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2022

	2022	2021
	£	£
<b>12 Investment assets</b>		
<b>Investment portfolio</b>		
Market value brought forward at 1 April	18,604,699	14,991,274
Additions	701,625	1,517,488
Disposals	(253,856)	(1,172,677)
	<u>19,052,468</u>	<u>15,336,085</u>
Increase/(decrease) in market value	324,200	3,268,614
<b>Total investment assets</b>	<u><b>19,376,668</b></u>	<u><b>18,604,699</b></u>

An analysis of the market value of investments at the year end is provided below:

	2022	2021
	£	£
Cash	915,006	2,252,317
Liquid Short Term Deposits	392,471	228,868
Fixed income/bonds	6,373,839	5,528,471
UK equities	2,416,731	2,145,112
Overseas equities	8,025,013	7,023,470
Hedge funds and private equity funds	-	217,993
Property funds	1,253,608	1,208,468
<b>Total</b>	<u><b>19,376,668</b></u>	<u><b>18,604,699</b></u>

There are no individual investments in excess of 10% of the total portfolio. The value of the investment portfolio at 30 June 2022 was £17,933,654.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2022

	2022	2021
	£	£
<b>13 Loans</b>		
Amounts owed by LSO players		
Due within one year	56,953	34,412
Due after one year	160,614	157,960
	<u>217,567</u>	<u>192,372</u>

The LSO players to whom concessionary loans have been made are shareholders of London Symphony Orchestra Ltd. The amounts owed by the LSO players are repayable over varying periods usually not exceeding 7 years. All loans bear interest at a variable rate equating to the Bank of England base rate for that period. However, during the Covid-19 pandemic these terms have varied and interest was waived until 31 March 2022. There were no loans to players that had been committed to but not taken up as at the 31 March 2022.

	2022	2021
	£	£
<b>14 Debtors: amounts falling due within one year</b>		
Amounts due from LSO Group Companies	2,133	-
Accrued income	43,890	122,308
Other debtors	-	262,444
	<u>46,023</u>	<u>384,752</u>

	2022	2021
	£	£
<b>15 Creditors: amounts falling due within one year</b>		
Amounts due to LSO Group Companies	-	-
Other creditors	-	67,273
Accruals	7,800	6,120
	<u>7,800</u>	<u>73,393</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2022

16 Statement of funds	Balance	Income	Expenditure	Gains and losses	Transfers	Balance
	1 April 2021					31 March 2022
	£	£	£	£	£	£
Unrestricted funds:						
General Fund	5,187,625	167,167	(29,876)	(122,408)	(107,625)	5,094,883
Always Playing Appeal	1,832,182	582,216	(201,325)	(90,850)	-	2,122,223
Wallis Fund	-	-	-	-	107,625	107,625
<b>Total unrestricted funds</b>	<b>7,019,807</b>	<b>749,383</b>	<b>(231,201)</b>	<b>(213,258)</b>	<b>-</b>	<b>7,324,731</b>
Restricted funds:						
Lord Mayor's Appeal 2004	2,085,786	24,726	(11,616)	(27,768)	-	2,071,128
Lord Mayor's Appeal 2017	489,042	5,842	(2,312)	13,885	-	506,457
Anglo-Japanese Fund	332,273	1,635	(14,304)	(2,194)	-	317,410
Moving Music Income Fund	129,416	227,674	24,965	-	-	382,055
Centre for Music Fund	50,000	-	-	-	-	50,000
LSO Discovery Fund	-	321,530	-	-	-	321,530
LSO St Luke's Fund	-	600,000	-	-	-	600,000
LSO St Luke's Lunchtime Concert Fund	-	-	-	-	-	-
<b>Total restricted funds</b>	<b>3,086,517</b>	<b>1,181,407</b>	<b>(3,267)</b>	<b>(16,077)</b>	<b>-</b>	<b>4,248,580</b>
Endowment funds:						
Moving Music Capital Fund	10,614,102	-	(59,806)	346,445	-	10,900,741
<b>Total endowment funds</b>	<b>10,614,102</b>	<b>-</b>	<b>(59,806)</b>	<b>346,445</b>	<b>-</b>	<b>10,900,741</b>
<b>Total funds</b>	<b>20,720,426</b>	<b>1,930,790</b>	<b>(294,274)</b>	<b>117,110</b>	<b>-</b>	<b>22,474,052</b>

Details of the various funds are set out below:

#### *General Fund*

This is the Trust's primary unrestricted fund in which all funds, except those with specific restrictions, are held. Part of the fund comprises instruments which are loaned to the LSO for use by its players, and the majority of funds are invested with the investment return used to make grants to the LSO.

#### *Always Playing Appeal Fund*

This fund was created to receive income during the Covid-19 pandemic as part of the Always Playing Appeal. This is an unrestricted fund, with the main purpose being to support the LSO during and after the pandemic, in particular to support its musicians and assist in the transition to a new business model over coming years.

#### *Wallis Fund*

This is an unrestricted fund but is accounted for separately in line with the requirements of a legacy that was received in 2021. Income and capital growth from the funds invested will be used to support LSO Discovery's work. The fund will be transferred to the General Fund after ten years, in March 2032. These funds were previously recognised as part of the General Unrestricted Fund but have been transferred into a separate fund to reflect the particular way this fund will be managed.

#### *Lord Mayor's Appeal 2004*

From November 2003 to November 2004 the Endowment Trust was the major beneficiary of that year's Lord Mayor's Appeal. A wide variety of fund-raising events were held including gala concerts. The funds raised from these events have been set aside in a restricted fund for the benefit of LSO Discovery.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2022

#### 16 Statement of funds (continued)

##### *Lord Mayor's Appeal 2017*

From November 2016 to November 2017 the Endowment Trust was selected by the then Lord Mayor to be a major beneficiary of the Lord Mayor's Appeal. A wide variety of fund-raising events were held and the funds raised have been set aside in a restricted fund for the benefit of LSO Discovery.

##### *Anglo-Japanese Fund*

The purpose of this fund is to build Anglo-Japanese cultural relations by supporting the LSO's work in Japan and to provide scholarships to Japanese music students to assist them in studying at the Guildhall School of Music and Drama.

##### *Moving Music Fund*

The fund was established in 2012 following a fundraising campaign of the same name. All funds have been invested in an endowment fund for a period of at least 25 years. Income generated from the investments in this fund is transferred to a separate restricted fund to reflect the fact that the income can be spent, whereas the base investments form an endowment and cannot be expended. The income is used to fund audio visual recordings of concert performances by the LSO and the distribution of these worldwide, including to young people and new audiences.

##### *Centre for Music Fund*

The Centre for Music Fund represents a donation towards the Centre for Music project. As that project is now not progressing, it was agreed with the donor that the funds will be applied towards a joint project between the LSO and the Guildhall School of Music & Drama in the future.

##### *LSO Discovery Fund*

This fund has been established following a donation which is to be used to support LSO Discovery's work.

##### *LSO St Luke's Fund*

This fund has been established following a donation to be used to support capital projects at LSO St Luke's.

##### *LSO St Luke's Lunchtime Concert fund*

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

Comparative movements in funds for the prior year are shown in Note 17 to these accounts.

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements Period ended 31 March 2022

#### 17 Comparative statement of funds

	Balance 1 April 2020 £	Income £	Expenditure £	Gains and losses £	Balance 31 March 2021 £
Unrestricted funds:					
General Fund	4,565,749	46,485	(23,586)	598,977	5,187,625
Always Playing Appeal	-	2,002,337	(170,155)	-	1,832,182
<b>Total unrestricted funds</b>	<b>4,565,749</b>	<b>2,048,822</b>	<b>(193,741)</b>	<b>598,977</b>	<b>7,019,807</b>
Restricted funds:					
Lord Mayor's Appeal 2004	1,834,574	31,285	(168,492)	388,419	2,085,786
Lord Mayor's Appeal 2017	459,434	9,729	(103,621)	123,501	489,042
Anglo-Japanese Fund	335,111	2,944	(35,153)	29,370	332,273
Moving Music Income Fund	68,081	219,351	(158,016)	-	129,416
Centre for Music Fund	50,000	-	-	-	50,000
LSO St Luke's Lunchtime Concert Fund	34,500	-	(34,500)	-	-
<b>Total restricted funds</b>	<b>2,781,700</b>	<b>263,309</b>	<b>(499,782)</b>	<b>541,290</b>	<b>3,086,517</b>
Endowment funds:					
Moving Music Capital Fund	8,760,827	-	(55,452)	1,908,727	10,614,102
<b>Total endowment funds</b>	<b>8,760,827</b>	<b>-</b>	<b>(55,452)</b>	<b>1,908,727</b>	<b>10,614,102</b>
<b>Total funds</b>	<b>16,108,276</b>	<b>2,312,131</b>	<b>(748,975)</b>	<b>3,048,995</b>	<b>20,720,426</b>

**THE LONDON SYMPHONY ORCHESTRA ENDOWMENT TRUST**

England & Wales - Charity number 233700

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# Accounts

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**Charity Registration No. 233700**

**The London Symphony Orchestra Endowment Trust**

**Report and Financial Statements**

**31 March 2021**

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2021

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Trustees' report	2
Statement of trustees' responsibilities	6
Independent auditor's report	7
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the financial statements	13

# The London Symphony Orchestra Endowment Trust

## Report and financial statements 2021

### Officers and professional advisers

#### Trustees

Charles Clark (Chairman)  
Clare Duckworth (resigned 26 February 2020)  
Hon Sir Rocco Forte  
Lady Aliai Forte  
Richard Hardie  
James Lennox Mackenzie OBE  
Kathryn McDowell CBE  
Lady Wendy Parmley (Appointed 4 June 2020)  
Harriet Rayfield  
Daniel Ross  
John Shakeshaft

#### Secretary

Rikesh Shah

#### Registered Office

Barbican Centre  
Silk Street  
London  
EC2Y 8DS

#### Investment managers

Saunderson House UBS Wealth Management  
1 Long Lane 1 Finsbury Avenue  
London London  
EC1A 9HF EC2M 2AN

#### Bankers

Lloyds TSB Bank plc  
34 Moorgate  
London  
EC2R 6PL

#### Solicitors

Veale Wasbrough Vizards LLP  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

#### Auditor

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

# The London Symphony Orchestra Endowment Trust

## Trustees' report

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2021.

### Structure, governance and management

#### *Constitution*

The London Symphony Orchestra Endowment Trust ("the Trust") was originally established by a deed of settlement dated 12 September 1963 which has subsequently been amended by a trust deed dated 22 October 1991, a Deed of Variation dated 5 July 2006 and a Deed of Amendment dated 1 October 2010.

#### *Trustees and organisation*

The Trustees have the power to appoint further Trustees, subject to there being a minimum of 3 and a maximum of 10 Trustees of whom not more than 4 may be directors of London Symphony Orchestra Ltd ("the LSO"). Non-LSO Trustees must always constitute a majority of the Trustees.

Subject to these limits, new Trustees are recruited on the basis that by virtue of their knowledge, experience and qualifications they will be able to make a contribution to the pursuit of the objects or the management of the Trust. Induction and training is provided to Trustees as necessary.

Names of the Trustees who served during the year and in office at the date of this report are listed on page one. The Trustees meet twice a year and, in addition, an Investment Committee meets during the year with the investment managers to review the performance of the investment portfolio and to discuss the investment approach.

#### *Connected charity*

The LSO (Charity Number 232391) is a connected charity of the Trust by virtue of the fact that the two charities have shared objectives and administration. However, the Trust is fully independent of the LSO and has its own Board of Trustees. The LSO's subsidiary companies, LSO Productions Ltd and LSO Live Ltd are considered to be related parties to the Trust.

#### *Objectives and activities*

The general purpose of the Trust is to support the objects of the LSO, namely to promote, maintain and advance education, particularly musical education and to encourage and advance the arts including music, drama, mime, dancing and singing.

The Trust's primary aim is to build an endowment fund which will generate a return that can be used to support the LSO over the long-term as this is considered essential to being able to secure the LSO's future. The Trustees' principal focus is therefore to ensure continued growth in the value of the endowment through receipt and investment of donations as well as sound investment management which leads to capital growth.

In addition to the endowment fund, the Trust has received funds raised from the Lord Mayor's Appeals in 2004, 2010 and in 2017.

In 2011, the Trust received a donation to build Anglo-Japanese cultural relations by supporting initiatives such as the LSO's touring activity in Japan and to provide support for Japanese music students to assist them in working with the LSO. This donation is held in a restricted fund with grants made to the LSO to support relevant activity.

# The London Symphony Orchestra Endowment Trust

## Trustees' report

In 2012, the Trust was successful in its application to Arts Council England's Catalyst Endowment Scheme. This was a matched funding initiative through which the Trust secured income of almost £6m and this in turn released funding from the Arts Council of a further £2.9m during the campaign which ended in July 2015. The funds from this campaign, which is known as Moving Music, are invested as a restricted long-term endowment with the income generated used to capture audio and audio-visual recordings of the LSO's concert performances and to disseminate them to a wider audience.

The Trust also currently provides financial support for the LSO's core activities as well as loans to LSO members to assist them in purchasing musical instruments.

The Trust does not use the services of volunteers and the minimal operational tasks of the Trust are undertaken by LSO staff.

### *Public benefit*

The Trust provides benefit to the public indirectly by providing funding to the LSO and thereby supporting a world class orchestra. The LSO's core activities encourage the education of, and participation in, music by the public at large. This is achieved through public concerts which have accessible ticket prices, some of which are broadcast on the radio, television and the internet and through audio recordings which are widely available at low cost. A significant proportion of the Trust's grants to the LSO also support the LSO's education and community activities, many of which involve no payment by participants.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit and they believe that the support provided to the LSO provides benefit to a wide section of the public.

## Achievements and performance

### *Investment portfolio*

The Trust is an endowment trust and as such invests its assets with a view to both capital appreciation and the generation of income to support its charitable activities. There are no restrictions on the Trust's power to invest.

Saunderson House was appointed as the Trust's investment managers on 1<sup>st</sup> April 2016. However, UBS continues to manage three remaining funds and as they become liquid are being transferred to Saunderson House to be managed with the rest of the investment portfolio; these funds are expected to be fully liquidated by March 2022.

The investment strategy is set by the Trustees in discussion with the investment manager and this strategy is reviewed regularly. Within the overall strategy, the investment manager takes the decisions on selection, retention and realisation of investments.

The value of the investment portfolio rose to £18,604,675 at the year-end reflecting additions of £1,517,488, disposals of £1,172,677 and unrealised gains of £3,268,614. Investment performance reflected market conditions and portfolios are appropriately positioned to meet agreed investment mandates. As at 30 September 2021 the investment portfolio was valued at £19,866,289.

### *Fundraising*

During the year, the Trust began a fundraising campaign known as the Always Playing Appeal to support the LSO's recovery from the Covid-19 pandemic and to support its musicians. As the LSO emerges from the most challenging period of a generation, it is facing the most financially challenging years in its history. To sustain the Orchestra through the next five years, the aim of the Always Playing Appeal is to preserve the artistic excellence of the LSO's musicians and allowing them to perform together again on stage, as this is the very essence of an Orchestra.

# The London Symphony Orchestra Endowment Trust

## Trustees' report

As at September 2021, some £2.3m had been raised towards the Always Playing Appeal. The Trustees and LSO are hugely grateful to the lead donors to the Appeal, Alex and Elena Gerko, and to all those who have chosen to support the Appeal so far.

The other main focus of fundraising in recent years has been to promote legacy giving amongst the LSO's supporters and audiences. The Trust did not engage the use of third party fundraisers.

### *Grants*

During the year the Trust donated £295,499 (2020: £487,000) to LSO Productions Ltd which is a subsidiary of the LSO, this grant was a contribution towards LSO Discovery's education and community projects which are in line with the Trust's key objectives.

Donations of £186,631 were made to LSO Ltd (2020: £75,000) and a grant of £158,016 (2020: £147,500) made to LSO Live Ltd which is also a subsidiary of the LSO. A further grant of £12,500 was made in the year from the Anglo-Japanese fund to support the Japanese music students in their work with the LSO (2020: £12,500).

### *Loans to Players*

The Trust continued to offer loans to members of the LSO to assist them in the purchase of instruments. No new loans were made to players during the year (2020: £90,601). At the year-end, 24 players had outstanding loans from the Trust; further details are shown in Note 14 to the Financial Statements.

## Financial review

Total income received in the year was £2,312,131 (2020: £599,915), the majority of which related to general donations, legacies, gift aid and income from investments.

Expenditure of £748,975 (2020: £819,805) was in line with expectations and related primarily to grants (see above) and investment management fees.

Gains in the value of the investment portfolio were £3,048,994 (2020: Losses of £2,044,546). Following reinvestment of income and surplus cash, the value of the portfolio at the year-end was £18,604,699 (2020: £14,991,274).

The Trust's total reserves increased from £16,108,276 to £20,720,426 at the year-end reflecting income and expenditure for the year and gains on the investment portfolio.

## Reserves policy

The Trust's liquid funds are considered to be its unrestricted net assets less fixed assets, and less any loans issued to the London Symphony Orchestra or to its members. Restricted and Endowment funds are not considered to be part of the Trust's free reserves because of the conditions regarding the use of those funds.

As the Trust has minimal administrative overheads and no on-going liabilities, the reserves policy is to maintain liquid funds at a low level of up to 5% of total unrestricted net assets. However, since the start of the Covid-19 pandemic, the Trust has temporarily held surplus cash pending payment of grants to the LSO, particularly in relation to all funds raised as part of the Always Playing Appeal.

At the year-end, liquid funds under the above definition amounted to £1,009,240 (2020: £680,490). In addition, a further £2,252,317 (2020: £782,517) of unrestricted assets within the investment portfolio were held as cash at the year-end and were available for drawdown at short notice if needed.

The Trustees review levels of reserves on an annual basis and plans for utilising free reserves to support the objects of the LSO as outlined on page 2 of this report.

# The London Symphony Orchestra Endowment Trust

## Trustees' report

### Risk review

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The primary risks relate to protecting the value of the Trust's investment portfolio and other assets. Trustees delegate management of this risk to professional investment managers, Saunderson House, with oversight by the Investment Committee consisting of five of the Trustees.

Many factors affecting the achievement of the Trust's objectives relate to economic factors such as movement in share prices, interest rates, exchange rates and inflation are largely outside the Trust's control so can only be mitigated to a certain degree. The Trustees are aware of the potential on-going impacts of the Covid-19 pandemic on the value of the investment portfolio. However, the Trust is a long-term investor and currently has no plans to realise investments.

### Plans for the future

The Trustees continue to seek to secure further donations towards the Always Playing Appeal and for other purposes, to increase the value of the investment portfolio in order to increase over time the value of grants made to support its charitable objectives.

The Trust also continues to seek to increase the number of individuals who plan to donate a legacy to the Trust and the Trustees have been notified by a number of individuals of pledged legacies of varying sizes.

The Trust will continue close monitoring of the investment portfolio. The policy of making grants to the LSO, LSO Productions Ltd and LSO Live Ltd is expected to continue.

### Going concern

At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. Despite the on-going impacts of the pandemic, and having reviewed expected future cashflows, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

### Fundraising approach

The Trust 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 Trust is registered with the Fundraising Regulator and adheres to the standards of the Code of Fundraising Practice. No complaints were received about the Trust's fundraising practices during the year.

## The London Symphony Orchestra Endowment Trust

### Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

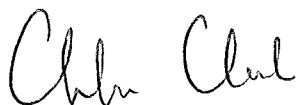
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed on behalf of the Trustees



Charles Clark  
Chairman

8 November 2021

## **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

### **Opinion**

We have audited the financial statements of The London Symphony Orchestra Endowment Trust for the year ended 31 March 2021 which comprise statement of financial activities, the balance sheet, the statement of cash flows 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 charity's affairs as at 31 March 2021 and of the charity's net movement in funds 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 Charities Act 2011.

### **Basis for opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 charity 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 Trustees' 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 charity'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 Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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

## **Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust**

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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the financial statements**

As explained more fully in the Trustees' responsibilities statement set out on page 6, the Trustees 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 Trustees 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 Trustees are responsible for assessing the charity'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 Trustees either intend to liquidate the charity 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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the charities act, 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 Charities Act 2011 and consider other factors such as income tax, payroll tax and sales tax.

## Independent auditor's report to the Trustees of The London Symphony Orchestra Endowment Trust

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of 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, including during the Covid-19 remote working period;
- 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 in particular valuation of the stock held for auction.

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](http://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 charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

*haysmacintyre LLP.*

Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 10 November 2021

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## The London Symphony Orchestra Endowment Trust

### Statement of Financial Activities

Period ended 31 March 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Endowment funds £	2021 Total funds £	2020 Total funds £
<b>Income and endowments from:</b>						
Donations and legacies	4	2,002,337	-	-	2,002,337	146,632
Charitable activities	5	-	-	-	-	1,704
Investment income	6	46,485	263,309	-	309,794	451,579
<b>Total income</b>		<b>2,048,822</b>	<b>263,309</b>	<b>-</b>	<b>2,312,131</b>	<b>599,915</b>
<b>Expenditure</b>						
Expenditure on:						
Raising funds	7	(17,431)	(17,291)	(55,452)	(90,174)	(91,950)
Charitable activities	8	(176,310)	(482,491)	-	(658,801)	(727,855)
<b>Total expenditure</b>		<b>(193,741)</b>	<b>(499,782)</b>	<b>(55,452)</b>	<b>(748,975)</b>	<b>(819,805)</b>
Net gains/(losses) on investments		598,977	541,290	1,908,727	3,048,994	(2,044,546)
<b>Net (expenditure)/ income</b>	9	<b>2,454,058</b>	<b>304,816</b>	<b>1,853,275</b>	<b>4,612,150</b>	<b>(2,264,435)</b>
<b>Net movement in funds</b>		<b>2,454,058</b>	<b>304,816</b>	<b>1,853,275</b>	<b>4,612,150</b>	<b>(2,264,435)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		4,565,749	2,781,700	8,760,827	16,108,276	18,372,712
<b>Total funds carried forward</b>		<b>7,019,807</b>	<b>3,086,517</b>	<b>10,614,102</b>	<b>20,720,426</b>	<b>16,108,276</b>

There were no other recognised gains or losses other than as shown above. All income and expenditure derive from continuing activities.

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

# The London Symphony Orchestra Endowment Trust

## Balance Sheet

As at 31 March 2021

		2021	2021	2021	2021	2020
		Unrestricted	Restricted	Endowment	Total	Total
		funds	funds	funds	funds	funds
	Note	£	£	£	£	£
<b>Fixed assets</b>						
Tangible assets	11	545,000	-	-	545,000	545,000
Investment assets	12	5,224,279	2,766,318	10,614,102	18,604,699	14,991,274
Loans	13	157,960	-	-	157,960	232,714
<b>Total fixed assets</b>		<b>5,927,239</b>	<b>2,766,318</b>	<b>10,614,102</b>	<b>19,307,659</b>	<b>15,768,988</b>
<b>Current assets</b>						
Debtors: amounts falling due within one year	14	122,308	262,444	-	384,752	51,617
Loans	13	34,412	-	-	34,412	-
Cash at bank		1,009,241	57,755	-	1,066,996	293,491
<b>Total current assets</b>		<b>1,165,961</b>	<b>320,199</b>	<b>-</b>	<b>1,486,160</b>	<b>345,108</b>
<b>Current liabilities</b>						
Creditors: amounts falling due within one year	15	(73,393)	-	-	(73,393)	(5,820)
<b>Net current assets</b>		<b>1,092,568</b>	<b>320,199</b>	<b>-</b>	<b>1,412,767</b>	<b>339,288</b>
<b>Total net assets</b>		<b>7,019,807</b>	<b>3,086,517</b>	<b>10,614,102</b>	<b>20,720,426</b>	<b>16,108,276</b>
<b>Total funds of the charity</b>	16					
Funds brought forward		4,565,749	2,781,700	8,760,827	16,108,276	18,372,712
Excess/(shortfall) of income over expenditure for the year		1,855,081	(236,473)	(55,452)	1,563,156	(219,890)
Realised and unrealised increase / (decrease) in the value of investment assets		598,977	541,290	1,908,727	3,048,994	(2,044,546)
<b>Funds carried forward</b>		<b>7,019,807</b>	<b>3,086,517</b>	<b>10,614,102</b>	<b>20,720,426</b>	<b>16,108,276</b>

The notes on pages 13 to 23 form part of these accounts.

Approved by the trustees on: 8 November 2021

Signed on behalf of the Board of Trustees



Charles Clark  
Chairman

## The London Symphony Orchestra Endowment Trust

### Statement of Cash Flows

Year ended 31 March 2021

	Notes	2021 £	2020 £
Cash used in operating activities	A	808,522	(1,088,393)
<b>Cash flows from investing activities</b>			
Interest from investments		309,794	451,579
Cash proceeds from the sale of investments		1,172,677	892,058
Purchase of investments		(1,517,488)	(129,146)
Purchase of fixed assets		-	(155,000)
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<u>773,505</u>	<u>(28,902)</u>
Cash and cash equivalents at the beginning of the year	B	293,491	322,393
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>1,066,996</u></u>	<u><u>293,491</u></u>

#### A Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	4,612,150	(2,264,435)
Unrealised (gains)/losses on investments	(3,268,614)	1,684,839
Dividend and interest income from investments	(309,794)	(451,579)
Decrease/(increase) in loans	40,342	(13,852)
(Increase) in debtors	(333,135)	(43,721)
Increase in creditors	67,573	355
<b>Net cash used in operating activities</b>	<u><u>808,522</u></u>	<u><u>(1,088,393)</u></u>

#### B Analysis of net funds

	2021 £	2020 £
Cash at bank and in hand	1,066,996	293,491

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

### Year ended 31 March 2021

#### 1 Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. The financial statements are drawn up under the historical cost convention except that investments are carried at fair value.

The Trust meets the definition of a Public Benefit Entity under FRS 102.

##### b) Preparation of accounts on a going concern basis

The financial statements have been prepared on the basis that the Trust is and will remain a going concern for the foreseeable future. At the year-end the Trust has significant net assets and minimal liabilities and operating costs. Grants are only awarded if sufficient funds are available to fund the necessary payments. Despite the on-going impacts of the pandemic, and having reviewed expected future cashflows, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability.

##### 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.

Donations, are recognised when the Trust 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.

##### d) Funds

The General Fund is a general unrestricted fund and represents funds which are expendable at the discretion of Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Such funds represent investments, loans and working capital balances.

Restricted funds are funds subject to specific restrictions imposed by the donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Endowment funds are funds which the Trustees are legally required to invest for a period of at least 25 years for the Charity's purposes.

Further details of the restricted and endowment funds are given in note 17.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2021

### 1 Accounting policies (continued)

#### e) Expenditure

Expenditure is recognised on an accruals basis.

#### f) Allocation of support and governance costs

General support costs relating to the operation of the charity, which are minimal, are borne by the London Symphony Orchestra and are not recognised in these financial statements. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees. Governance costs are related to charitable activities and have therefore been included under this heading.

#### g) Tangible fixed assets

Tangible fixed assets are stated at cost and represent three high quality string instruments. These instruments have not been depreciated because the Trustees are of the opinion that the net residual value is at least equal to the original cost.

#### h) Investments

Investments are stated at the market value as indicated by the Report of the Investment Managers to the Trustees as at the Balance Sheet date. Any resulting unrealised gain or loss is allocated to the fund to which it relates within the Statement of Financial Activities.

#### i) Financial instruments and concessionary loans

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Concessionary loans made to members of the LSO to assist them in the purchase of instruments are initially recognised at the amount paid with the carrying amount in subsequent periods adjusted to reflect interest, repayments and any impairment.

#### j) Taxation

The London Symphony Orchestra Endowment Trust is a registered charity and is thus exempt from tax on income and gains falling within Part 10 of the Income Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Trust.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2021

### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 1, the Trustees 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

### 3 Comparative Statement of Financial Activities and Balance Sheet

#### Comparative Statement of Financial Activities

	Note	2020 Unrestricted funds £	2020 Restricted funds £	2020 Endowment funds £	2020 Total funds £
<b>Income and endowments from:</b>					
Donations and legacies	4	62,132	84,500	-	146,632
Charitable activities	5	1,704	-	-	1,704
Investment income	7	74,340	377,239	-	451,579
<b>Total income</b>		<b>138,176</b>	<b>461,739</b>	<b>-</b>	<b>599,915</b>
<b>Expenditure</b>					
Expenditure on:					
Raising funds	8	(17,778)	(17,759)	(56,413)	(91,950)
Charitable activities	9	(48,355)	(679,500)	-	(727,855)
<b>Total expenditure</b>		<b>(66,133)</b>	<b>(697,259)</b>	<b>(56,413)</b>	<b>(819,805)</b>
Net gains on investments	10	(327,866)	(346,938)	(1,369,742)	(2,044,546)
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(255,823)</b>	<b>(582,458)</b>	<b>(1,426,155)</b>	<b>(2,264,435)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		4,821,572	3,364,158	10,186,982	18,372,712
<b>Total funds carried forward</b>		<b>4,565,749</b>	<b>2,781,700</b>	<b>8,760,827</b>	<b>16,108,276</b>

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2021

### 3 Comparative Statement of Financial Activities and Balance Sheet (continued)

#### Comparative Balance Sheet

	Note	2020 Unrestricted funds £	2020 Restricted funds £	2020 Endowment funds £	2020 Total funds £
<b>Fixed assets</b>					
Tangible assets	11	545,000	-	-	545,000
Investments assets	12	3,096,248	3,134,199	8,760,827	14,991,274
Loans	13	232,714	-	-	232,714
<b>Total fixed assets</b>		<b>3,873,962</b>	<b>3,134,199</b>	<b>8,760,827</b>	<b>15,768,988</b>
<b>Current assets</b>					
Debtors: amounts falling due within one	14	17,117	34,500	-	51,617
Cash at bank		680,490	(386,999)	-	293,491
<b>Total current assets</b>		<b>697,607</b>	<b>(352,499)</b>	<b>-</b>	<b>345,108</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within	15	(5,820)	-	-	(5,820)
<b>Net current assets</b>		<b>691,787</b>	<b>(352,499)</b>	<b>-</b>	<b>339,288</b>
<b>Total net assets</b>		<b>4,565,749</b>	<b>2,781,700</b>	<b>8,760,827</b>	<b>16,108,276</b>
<b>Total funds of the charity</b>					
Funds brought forward	17	4,821,572	3,364,158	10,186,982	18,372,712
(Shortfall)/excess of income over expenditure for		72,043	(235,520)	(56,413)	(219,890)
Realised and unrealised increase / (decrease) in		(327,866)	(346,938)	(1,369,742)	(2,044,546)
<b>Funds carried forward</b>		<b>4,565,749</b>	<b>2,781,700</b>	<b>8,760,827</b>	<b>16,108,276</b>

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Period ended 31 March 2021

	2021	2020
	£	£
<b>4 Income from donations and legacies</b>		
Donations	1,842,576	89,408
Legacies	159,761	57,224
<b>Total income from donations and legacies</b>	<u>2,002,337</u>	<u>146,632</u>

All income from donations and legacies in the year relates to Unrestricted Funds. The total value of donations received from Trustees during the year was £105,000 (2020: £nil).

	2021	2020
	£	£
<b>5 Income from charitable activities</b>		
Loan interest receivable from player loans	-	1,704
<b>Total income from charitable activities</b>	<u>-</u>	<u>1,704</u>

All income from charitable activities relates to unrestricted funds.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Period ended 31 March 2021

	2021	2020
	£	£
<b>6 Investment income</b>		
Dividends and interest from investments	309,794	451,579
<b>Total investment income</b>	<u>309,794</u>	<u>451,579</u>
<b>7 Expenditure on raising funds</b>	<b>2021</b>	<b>2020</b>
	£	£
Investment management costs	90,174	91,950
<b>Total expenditure on raising funds</b>	<u>90,174</u>	<u>91,950</u>
<b>8 Expenditure on charitable activities</b>	<b>2021</b>	<b>2020</b>
	£	£
Grants to LSO Group	652,646	722,000
Governance costs	6,155	5,855
<b>Total expenditure on charitable activities</b>	<u>658,801</u>	<u>727,855</u>
<b>9 Net income/(expenditure) is stated after charging:</b>	<b>2021</b>	<b>2020</b>
	£	£
Auditors' remuneration - audit fees	5,100	4,850

The Trustees did not receive any remuneration for their services to the Trust nor were they reimbursed for any expenses in either year.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2021

	Grants to institutions	
	2021	2020
10 Analysis of grants payable and related party transactions	£	£
Always Playing Appeal Fund grant to LSO Ltd to provide support during the pandemic	170,155	-
General Fund grant to LSO Productions Ltd for LSO Discovery	-	42,500
Lord Mayor's Appeal 2004 grant to LSO Productions Ltd for LSO Discovery activities	157,000	50,000
Lord Mayor's Appeal 2017 grant to LSO Productions Ltd for LSO Discovery activities	100,000	352,000
Anglo-Japanese Fund grant for the LSO's work in Japan and Scholarships	32,975	37,500
Endowment Fund grant to LSO Ltd for Moving Music digital projects	-	75,000
Endowment Fund grant to LSO Productions Ltd for Moving Music digital projects	-	17,500
Endowment Fund grant to LSO Live Ltd for Moving Music digital projects	158,016	147,500
Restricted Fund grant for lunchtime concerts at LSO St Luke's	34,500	-
<b>Total grants to LSO Group</b>	<b>652,646</b>	<b>722,000</b>

As explained in the Trustees' report, London Symphony Orchestra Ltd (registered charity number 232391) is a connected charity. Grants made to the LSO and its subsidiaries, LSO Productions Ltd and LSO Live Ltd during the year are shown above.

### 11 Tangible fixed assets

	Musical Instruments
Cost	£
At 1 April 2020	<u>545,000</u>
<b>At 31 March 2021</b>	<b><u>545,000</u></b>
<b>Net book value</b>	
At 31 March 2021	<u>545,000</u>
At 1 April 2020	<u>545,000</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Year ended 31 March 2021

	2021	2020
	£	£
<b>12 Investment assets</b>		
<b>Investment portfolio</b>		
Market value brought forward at 1 April	14,991,274	17,439,025
Additions	1,517,488	129,146
Disposals	<u>(1,172,677)</u>	<u>(892,058)</u>
	15,336,085	16,676,113
Increase/(decrease) in market value	3,268,614	(1,684,839)
<b>Total investment assets</b>	<u><b>18,604,699</b></u>	<u><b>14,991,274</b></u>

An analysis of the market value of investments at the year end is provided below:

	2021	2020
	£	£
Cash	2,252,317	782,517
Liquid Short Term Deposits	228,868	237,020
Fixed income/bonds	5,528,471	5,529,732
UK equities	2,145,112	2,740,661
Overseas equities	7,023,470	4,335,810
Hedge funds and private equity funds	217,993	242,471
Property funds	1,208,468	1,123,064
<b>Total</b>	<u><b>18,604,699</b></u>	<u><b>14,991,274</b></u>

There are no individual investments in excess of 10% of the total portfolio. The value of the investment portfolio at 30 September 2021 was £19,866,289.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Year ended 31 March 2021

	2021	2020
	£	£
<b>13 Loans</b>		
Amounts owed by LSO players		
Due within one year	34,412	-
Due after one year	157,960	232,714
	<u>192,372</u>	<u>232,714</u>

The LSO players to whom concessionary loans have been made are shareholders of London Symphony Orchestra Ltd. The amounts owed by the LSO players are repayable over varying periods usually not exceeding 7 years. All loans bear interest at a variable rate equating to the Bank of England base rate for that period. However, during the Covid-19 pandemic these terms have varied and interest has been waived until 31 March 2022. There were no loans to players that had been committed to but not taken up as at the 31 March 2021.

	2021	2020
	£	£
<b>14 Debtors: amounts falling due within one year</b>		
Accrued income	122,308	51,617
Other debtors	262,444	-
	<u>384,752</u>	<u>51,617</u>

	2021	2020
	£	£
<b>15 Creditors: amounts falling due within one year</b>		
Other creditors	67,273	-
Accruals	6,120	5,820
	<u>73,393</u>	<u>5,820</u>

## The London Symphony Orchestra Endowment Trust

### Notes to the financial statements

Period ended 31 March 2021

16 Statement of funds	Balance 1 April 2020 £	Income £	Expenditure £	Gains and losses £	Balance 31 March 2021 £
Unrestricted funds:					
General Fund	4,565,749	46,485	(23,586)	598,977	5,187,625
Always Playing Appeal	-	2,002,337	(170,155)	-	1,832,182
<b>Total unrestricted funds</b>	<b>4,565,749</b>	<b>2,048,822</b>	<b>(193,741)</b>	<b>598,977</b>	<b>7,019,807</b>
Restricted funds:					
Lord Mayor's Appeal 2004	1,834,574	31,285	(168,492)	388,419	2,085,786
Lord Mayor's Appeal 2017	459,434	9,729	(103,621)	123,501	489,042
Anglo-Japanese Fund	335,111	2,944	(35,153)	29,370	332,273
Moving Music Income Fund	68,081	219,351	(158,016)	-	129,416
Centre for Music Fund	50,000	-	-	-	50,000
LSO St Luke's Lunchtime Concert Fund	34,500	-	(34,500)	-	-
<b>Total restricted funds</b>	<b>2,781,700</b>	<b>263,309</b>	<b>(499,782)</b>	<b>541,290</b>	<b>3,086,517</b>
Endowments funds:					
Moving Music Capital Fund	8,760,827	-	(55,452)	1,908,727	10,614,102
<b>Total endowment funds</b>	<b>8,760,827</b>	<b>-</b>	<b>(55,452)</b>	<b>1,908,727</b>	<b>10,614,102</b>
<b>Total funds</b>	<b>16,108,276</b>	<b>2,312,131</b>	<b>(748,975)</b>	<b>3,048,994</b>	<b>20,720,426</b>

Details of the Restricted and Endowment funds are set out below:

#### *Lord Mayor's Appeal 2004*

From November 2003 to November 2004 the Endowment Trust was the major beneficiary of the Lord Mayor's Appeal. A wide variety of fund-raising events were held including gala concerts. The funds raised from these events have been set aside in a restricted fund for the benefit of LSO Discovery.

#### *Lord Mayor's Appeal 2017*

From November 2016 to November 2017 the Endowment Trust was selected by the then Lord Mayor to be a major beneficiary of the Lord Mayor's Appeal. A wide variety of fund-raising events were held and the funds raised have been set aside in a restricted fund for the benefit of LSO Discovery.

#### *Anglo-Japanese Fund*

The purpose of this fund is to build Anglo-Japanese cultural relations by supporting the LSO's work in Japan and to provide scholarships to Japanese music students to assist them in studying at the Guildhall School of Music and Drama.

#### *Moving Music Fund*

The fund was established in 2012 to receive funds from the fundraising campaign of the same name. The campaign ended in July 2015, and a total of £8,783,563 was raised overall. All funds have been invested in an endowment fund for a period of at least 25 years. On completion of the campaign the accumulated net income of £144,199 was transferred to a separate restricted fund, and all subsequent investment income is also being treated in the same way. This reflects the fact that the income can be spent, whereas the base investments form an endowment and cannot be expended. The existing investment policy is under review by Trustees to address this situation. The income from the investment portfolio will be used 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.

# The London Symphony Orchestra Endowment Trust

## Notes to the financial statements

Period ended 31 March 2021

### 16 Statement of funds (continued)

#### *Centre for Music Fund*

The Centre for Music Fund represents a donation towards the Centre for Music project which was a joint initiative between the LSO, Barbican Centre and Guildhall School of Music & Drama (GSMD). As that project is now not progressing, it has been agreed with the donor that the funds will be applied toward a joint project between the LSO and GSMD in the future.

#### *LSO St Luke's Lunchtime Concert fund*

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

Comparative movements in funds for the prior year are shown in Note 17 to these accounts.

### 17 Comparative statement of funds

	Balance 1 April 2019 £	Income £	Expenditure £	Gains and losses £	Balance 31 March 2020 £
Unrestricted funds:					
General Fund	4,821,572	138,176	(66,133)	(327,866)	4,565,749
<b>Total unrestricted funds</b>	<b>4,821,572</b>	<b>138,176</b>	<b>(66,133)</b>	<b>(327,866)</b>	<b>4,565,749</b>
Restricted funds:					
Lord Mayor's Appeal 2004	2,098,710	49,229	(61,884)	(251,481)	1,834,574
Lord Mayor's Appeal 2017	880,729	14,954	(355,626)	(80,623)	459,434
Anglo-Japanese Fund	384,719	4,975	(39,749)	(14,834)	335,111
Moving Music Income Fund	-	308,081	(240,000)	-	68,081
Centre for Music Fund	-	50,000	-	-	50,000
LSO St Luke's Lunchtime Con	-	34,500	-	-	34,500
<b>Total restricted funds</b>	<b>3,364,158</b>	<b>461,739</b>	<b>(697,259)</b>	<b>(346,938)</b>	<b>2,781,700</b>
Endowments funds:					
Moving Music Capital Fund	10,186,982	-	(56,413)	(1,369,742)	8,760,827
<b>Total endowment funds</b>	<b>10,186,982</b>	<b>-</b>	<b>(56,413)</b>	<b>(1,369,742)</b>	<b>8,760,827</b>
<b>Total funds</b>	<b>18,372,712</b>	<b>599,915</b>	<b>(819,805)</b>	<b>(2,044,546)</b>	<b>16,108,276</b>

