

ROYAL PHILHARMONIC ORCHESTRA LIMITED

England & Wales · Charity number 244533

Details

Other names RPO

Status Registered

Legal form Charitable company

Company number [00763836](#)

Registered 1966-12-29

Register [View on the Charity Commission register](#)

Contact

Address The Company Secretary
15 Rutherford Way
Wembley Park
London
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Email info@rpo.co.uk

Website www.rpo.co.uk

Activities

Objects: TO PROMOTE MAINTAIN AND ADVANCE EDUCATION, PARTICULAR MUSICAL EDUCATION AND TO ENCOURAGE THE ARTS OF MUSIC, DRAMA, MIME, DANCING AND SINGING.

Activities: TO PROMOTE, MAINTAIN AND ADVANCE EDUCATION, PARTICULARLY MUSICAL EDUCATION AND TO ENCOURAGE THE ARTS OF MUSIC, DRAMA, MIME, DANCING AND SINGING. MAINTAINING SYMPHONIC ORCHESTRAS AND PROMOTING, ORGANISING AND PARTICIPATING IN CONCERTS, ENRICHING PEOPLE'S LIVES THROUGH MUSIC OF THE HIGHEST QUALITY, REACHING THE WIDEST POSSIBLE AUDIENCE IN THE CONCERT HALL AND THE COMMUNITY.

Classification

- **How:** Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Germany
- Italy
- Romania
- Saudi Arabia
- United Arab Emirates
- United States
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£11,768,305	£11,288,986	£5,097,932	37
2024-03-31	£11,948,199	£11,884,593	£4,618,138	33
2023-03-31	£11,218,519	£10,397,627	£4,537,726	30
2022-03-31	£8,603,157	£8,314,116	£3,728,561	27
2021-03-31	£3,201,372	£3,579,518	£3,448,530	29

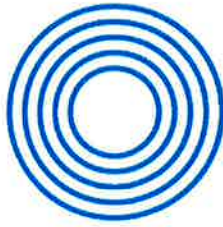
Trustees

Name	Role	Appointed
Andrew Jeffrey STOREY		2022-10-21
Benjamin Keith HULME		2024-05-08
ELIZABETH CASE		2017-06-20
Elisabeth Anne Varlow		2021-11-11
John Carl Russo		2025-06-24
Joshua Nathanael CIRTINA		2023-11-07
LORD PAUL YAW BOATENG		2022-03-23
Lindsay Diane Dodsworth		2025-06-24
PATRICK JOHN FLANAGHAN		2019-10-03
Philip Henry KELLER		2019-03-05
SALI-WYN RYAN		2018-10-30
Sarah Jane Bardwell		2024-09-23
Sonia Kate SIELAFF		2024-11-12

ROYAL PHILHARMONIC ORCHESTRA LIMITED

England & Wales - Charity number 244533

Accounts



**ROYAL
PHILHARMONIC
ORCHESTRA**

ROYAL PHILHARMONIC ORCHESTRA LIMITED

Company Number 00763836

Registered Charity Number 244533

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2025

Royal Philharmonic Orchestra Limited
Consolidated Report and Financial Statements

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Company Information

Patron

HRH King Charles III

Music Director

Vasily Petrenko

President

Aline Foriel-Destezet

Directors

Andrew Storey (Chair)

Elisabeth Varlow (Vice Chair)

Sarah Bardwell (Managing Director)

Lord Paul Boateng

Elizabeth Case (née Kistruck)

Joshua Cirtina

Lindsay Dodsworth

Patrick Flanagan

Benjamin Hulme

Phillip Keller

John Russo

Sali-Wyn Ryan

Sonia Sielaff

Company Secretary

Ann Firth

Independent Auditor

Moore Kingston Smith LLP

6th Floor

9 Appold Street

London EC2A 2AP

Bankers

Bank of Scotland

Pentland House

8 Lochside Avenue

Edinburgh EH12 9DJ

National Westminster Bank

Regent Street Branch

250 Regent Street

London W1B 3BN

Registered Office

16 Clerkenwell Green

London EC1R 0QT



180 Royal Philharmonic Orchestra and Royal Philharmonic Concert Orchestra
concerts



700,000 estimated live audience



97 recording sessions



7 countries visited on tour



201 community and education workshops and performances



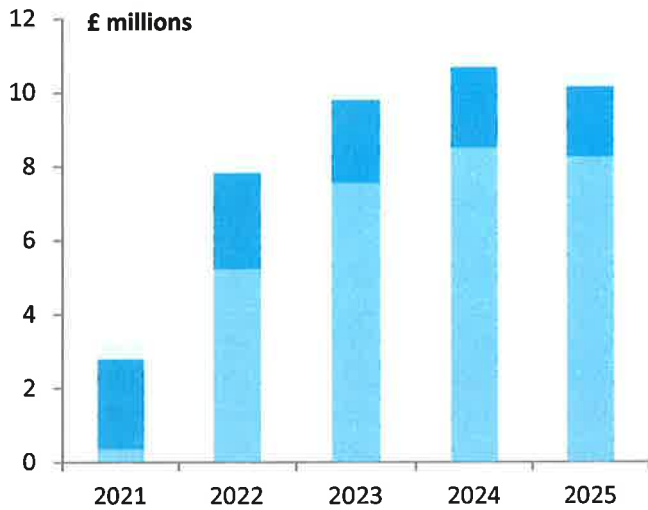
10,892 participants engaged



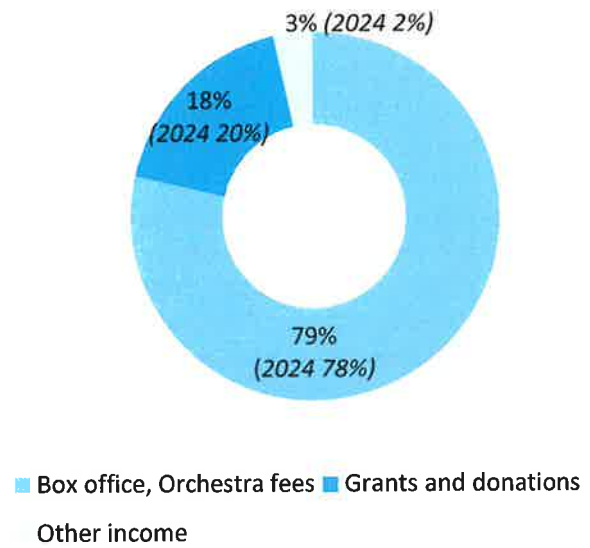
924 musicians engaged

Financial Headlines Charts

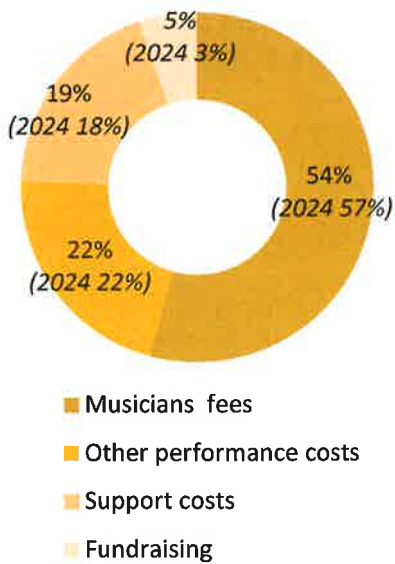
Five year income trend



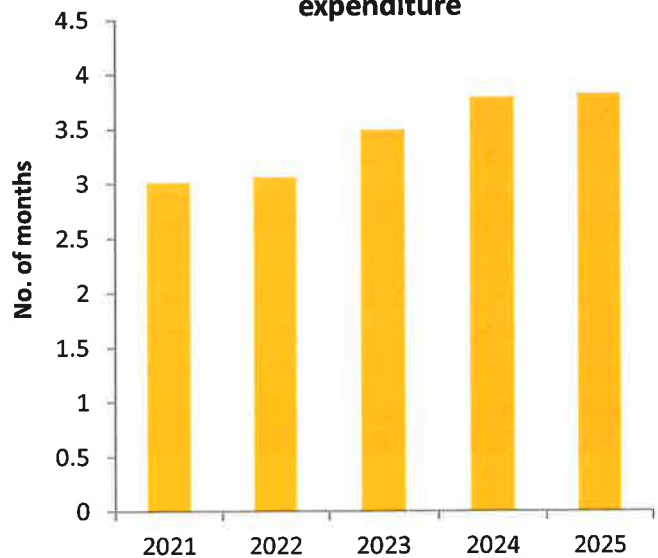
2025 Income



2025 Costs



Free Reserves - number of months' expenditure



Chairman's Statement

The Royal Philharmonic Orchestra (RPO) continues to bring the joy of orchestral music to the widest possible public, delivering an extensive programme of activity that develops new and diverse audiences across the UK and around the world.

During the year to March 2025 there were over 180 performances from the Royal Philharmonic Orchestra and the Royal Philharmonic Concert Orchestra reaching a total in-person audience of approximately 700,000 people and engaging over 900 freelance musicians. We have attracted new concert ticket bookers and are working to continue to develop audiences through new styles of concerts, digital and recording projects and our extensive programme of community and education work. Income of £10.5m, £0.3m lower than last year, reflects the cycle of USA touring cycle; the Orchestra will return to the USA in January 2026. The Orchestra finances continue to show the benefit of diverse income sources and cost control, returning a surplus of £0.5m in the year.

The Orchestra strives to be entrepreneurial, seizing opportunities and building on our global presence with our Music Director Vasily Petrenko, pursuing our unwavering commitment to artistic excellence. We have worked in partnership with three London venues: Cadogan Hall, the Royal Albert Hall and the Royal Festival Hall and focussed our UK activity outside of London with residencies in Crawley, Hull, Northampton and Reading. Our collaborations with venues and promoters are essential to our audience development ambitions. We continued making music and reaching new audiences with our Composer-in-Association Joe Hisaishi, in concert and in the recording studio, and have developed a tremendously rewarding relationship. We will build on these successes during the 2025/2026 season and continue a programme of ambitious and diverse activity on and off the concert platform, nationally and internationally including tours to Europe, Japan, Korea and the USA.

Across the year, the RPO has offered innovative experiences to participants and audiences via our community and education initiatives, including working with underrepresented groups. Through offering free workshops, discounted concert tickets and performances in non-traditional venues, we allow the public to enjoy music in a way that suits them best. The Community and Education team have worked with over 10,000 individuals in a range of diverse settings including the criminal justice system, refugee centres, schools and hospitals.

All of this work has been achieved with the important and continued support of Arts Council England and our corporate partners, individuals, Trusts and Foundations. In addition, the RPO values the work of its Advisory Council, and the American Friends of the Royal Philharmonic Orchestra. On behalf of everyone at the RPO, I would like to express heartfelt thanks to all these partners, friends and supporters at home and abroad.

Finally, I would like to thank my fellow board members, both Non-Executive Directors and player board members, who give of their time to support the work of the RPO, including Non-Executive Director, Her Excellency Karen-Mae Hill who stepped down during the year. It was especially sad that player board member and oboist Tim Watts passed away in Summer 2024. We look forward to marking his life and 23 years of work in the Orchestra with a special commission for oboe and orchestra by Sir John Rutter in April 2026.

In June 2024 James Williams left the RPO after eight years as Managing Director. His wise counsel to, and steering of, the organisation, particularly during the challenge of the pandemic was so valuable and on behalf of the Board and musicians I extend warm thanks and appreciation. In September 2024, we were delighted to welcome Sarah Bardwell as Managing Director to lead the next ambitious period for the Orchestra.

The passion and commitment from all the musicians, staff, board, and supporters will ensure that new and current audiences will be able to continue to enjoy remarkable musical experiences that enhance and enrich lives.

Andrew Storey
Chairman

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2025

The Trustees, who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of the Companies Act 2006, present their annual report and the consolidated financial statements of the group for the year ended 31 March 2025. These comply with the Companies Act 2006 and the Charities Act 2011. The Trustees have also adopted the provisions of 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 updated and reissued in January 2022. The Trustees, in preparing the strategic report, have complied with section 414C of the Companies Act 2006.

References to '2025' and '2024' in this report mean the years ended 31 March 2025 and 31 March 2024, respectively.

STRATEGIC REPORT

Objects

The Royal Philharmonic Orchestra Limited is established to promote, maintain and advance education, particularly musical education and to encourage the arts. The Orchestra continues to be totally committed to its twin objectives of making music of the highest quality and reaching the widest possible audience. The Orchestra plays an important role in enriching people's lives whilst striving to further its charitable purposes for the benefit of the public, both in the concert hall and in the community.

Public Benefit

The Royal Philharmonic Orchestra (RPO) and Royal Philharmonic Concert Orchestra (RPCO) demonstrate their reach across the public at large through the diversity of orchestral music performed and the numerous locations in which they appear. In addition, a majority of Royal Philharmonic Orchestra concerts in the United Kingdom (including London), involve direct engagement with the public or have a learning or enrichment activity attached to them, such as an open rehearsal, pre-concert talk or a music making workshop. The Orchestra's programme also features work with groups that may not easily be able to access musical experiences such as people who have hearing or visual impairments, children with special educational needs, those involved in the criminal justice system and refugees.

The Orchestra works with schools and universities in the United Kingdom to deliver part of their musical education offer. It has also formed partnerships with orchestras and institutions outside the United Kingdom to share community and education outreach expertise, enabling those orchestras in the future to be promoters of musical education and the arts, for the benefit of the public in their localities. Musical teaching professional development is provided each year, for members of the Orchestra, teachers in the education sector and workshop leaders. The Orchestra has developed the Brent Music Academy into an independent charity and contributes with founding partners Brent Music Service and ICMP to the Academy's music education programme.

The Orchestra also works in the health sector, in stroke rehabilitation and mental health services, harnessing the power of music to support improvements in health and wellbeing.

Operating at the highest professional artistic levels, the Orchestra is able to develop the musical talents of orchestral musicians, soloists and conductors and regularly features a diverse range of young and emerging artists in its programmes.

Report of the Trustees for the year ended 31 March 2025 (continued)

Highlights of the year reported on elsewhere in this report demonstrate the public benefit of activities. The Trustees can therefore confirm that the Royal Philharmonic Orchestra Limited has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission of England and Wales.

Vision, Mission and Values

The vision, mission and values of the RPO have been drawn from strategic planning and dialogue involving the perspectives of the Orchestra membership, staff, audiences and partners:

Vision

The Royal Philharmonic Orchestra aspires to place orchestral music at the heart of contemporary society, deepening engagement with communities and creative partners.

Mission

The Royal Philharmonic Orchestra's mission is to enrich lives through orchestral experiences that are uncompromising in their excellence and inclusive in their appeal.

Values

- Excellence – we strive to achieve ambitious goals across our organisation
- Collaboration – in partnership, we achieve more together
- Inclusivity – great orchestral experiences must be accessible to all
- Resilience – our versatility is key to our success
- Responsibility – the talents of our musicians must be used for the benefit of everyone
- Passion – the driving force within the RPO

Activities and performance

Royal Philharmonic Orchestra (RPO)

2025 saw the Orchestra continue to undertake tours, UK performances, recordings and filming. There were 141 concerts in 2025 (2024 – 140), of which 33 were overseas (2024 – 34) and 108 in the UK (2024 -106). UK concerts included 33 in towns and cities outside London (2024 – 32).

The beginning of the financial year featured the conclusion of the Orchestra's series with Music Director Vasily Petrenko entitled *Icons Rediscovered* which contrasted two greats of the Romantic era: Sir Edward Elgar and Sergei Rachmaninov, alongside other titans of the core repertoire. Concerts at the Royal Festival Hall featured Elgar's *Falstaff* and Rachmaninov's *The Bells*, which were also recorded for release in 2026. At the Royal Albert Hall, concerts conducted by Vasily Petrenko included Verdi's Requiem.

The year continued with Vasily Petrenko's new concert series titled *Lights in the Dark* at the Southbank Centre's Royal Festival Hall, which focused on music composed during times of conflict, adversity or resistance including works by Erich Korngold, Beethoven, Bartok, Rachmaninov, Stravinsky and Berg.

Report of the Trustees for the year ended 31 March 2025 (continued)

At the Royal Albert Hall (where it is Associate Orchestra), the Orchestra promoted and performed concerts such as ABBAphonic, American Classics and Film Music Gala, as well as Sir John Rutter's A Christmas Celebration.

The RPO celebrated its 20th anniversary as Resident Orchestra at Cadogan Hall with conductors including Alexander Shelley, Martyn Brabbins, Jac van Steen, Shiyeon Sung, Daniel Hyde and Stephanie Childress and with the violinist Johan Dalene concluding his year as Artist-in-Residence. The Cadogan Hall season also coincided with the 20th anniversary of the opening of the Hall in June 2024 which was marked with three concerts blending literature and music and celebrating the community surrounding the Hall. The performances featured conductors Adam Hickox, Cristian Macelaru and Jamie Phillips, actors Dame Harriet Walter, Tama Matheson and Adjoa Andoh and artists Bomsori Kim and Nicholas McCarthy.

In Brent, the Orchestra successfully collaborated with the Kathak style Sujata Banerjee Dance Company in a new ground-breaking production entitled *The Goddess of Swan Lake*. This reinterpretation of Tchaikovsky's Swan Lake was written and arranged by Howard Moody, directed by Sujata Banerjee and conducted by Orlando Jopling. The work was extensively workshopped and was performed both as part of Sujata Banerjee Dance Company's Festival at the Arts Depot in North Finchley (November 2024) and at The Drum at Brent Civic Centre (January 2025).

Major national projects included two performances with Music Director Vasily Petrenko in Nottingham and Birmingham, as well as a celebration of the re-opening of Bristol Beacon conducted by Emilia Hoving.

The RPO continued to perform a variety of chamber, family and full orchestral concerts at its residency venues outside London - Crawley, Hull, Northampton and Reading - with varied repertoire to appeal to the broadest audiences. Other UK performances included Bexhill, Guildford, Aylesbury, Warwick, Swindon and Sunderland, most of which will feature again in 2026.

The Orchestra's BBC Proms concert in August 2024, included works by Tchaikovsky and Ravel, conducted by Vasily Petrenko with the pianist Denis Kozhukhin as soloist. Other engagements at the Royal Albert Hall included the annual Good Friday performance of Handel's Messiah with the Royal Choral Society, Orff's Carmina Burana and Beethoven's 9th Symphony for Raymund Gubbay Ltd, Christmas concerts promoted by the Royal Albert Hall and a fundraising concert for Barnardo's Children's charity.

Partnerships were renewed with Hasting International Piano, for participation in their bi-annual Piano concerto Competition (March 25) and with the Windsor Festival (September 2024). Other regular engagements include performances with Brighton Festival Chorus (December 2024), Newbury Spring Festival (May 2024), Leeds Castle Concert (July 2024), King's Lynn Festival (July 2024) and Peterborough Sings (September 2024).

Touring during 2025 included a tour of Germany and Austria with cellist Sheku Kanneh-Mason and Music Director Vasily Petrenko (April 2024), China with violinist Ray Chen and Vasily Petrenko (August 2024), a concert featuring the music of Sir Anthony Hopkins in Riyadh conducted by Matthew Freeman (January 2025), and performances in Germany, Austria and Switzerland with violinist Julia Fischer and Vasily Petrenko (January-February 2025).

Over the year to March 2025, the RPO undertook more recording sessions than in the previous year: 96 sessions across 32 projects compared to 31 sessions across 25 projects in 2024. This included an increase in the number of recording projects with Vasily Petrenko, including two studio projects with violinist Alexandra Tirsu and pianist Behzod Abduraimov, and three live concert recordings at the Southbank Centre's Royal Festival Hall. On-going collaborations included recording projects with composers including Ludovico Einaudi, Sir John Rutter and Andrew Lockington (TV projects for Paramount +).

Report of the Trustees for the year ended 31 March 2025 (continued)

Royal Philharmonic Concert Orchestra (RPCO)

The Concert Orchestra undertook 32 engagements in 2025, compared to 21 in the previous year, including the annual visit to the United Arab Emirates to perform as part of the National Day celebrations and a tour to Cairo to perform the first two concerts at the brand new Grand Egyptian Museum. The Concert Orchestra also appeared twice in the inaugural London Soundtrack Festival at Camden's Roundhouse, performed as part of a flashmob on London's Regent Street to mark the UEFA Champion's League final, at a fashion launch for H&M in Dover Street Market, the launch event for the Peninsular Hotel Hyde Park, and at private dinners at Lancaster House, Brasserie Zedel, and St Paul's Cathedral. The RPCO also returned to Battersea Park for two concerts in the annual August bank holiday weekend series.

The RPCO strengthened relationships with other regular promoters this year, in particular Raymond Gubbay Ltd (RGL) and AEG Live. Performances promoted by RGL were Beethoven's Symphony No. 9 and Mozart's Requiem at the Royal Albert Hall and the Southbank Centre's Royal Festival Hall respectively. For AEG Live, performances included a return to London's Hyde Park for the British Summer Time Festival and the music of *Final Fantasy* at Hammersmith Apollo.

Concerts in the year at the Royal Albert Hall included the D-Day 80 celebration concert (also broadcast on ITV), the Orchestral Qawwali Project, and an Evening with Ellie Goulding, as well as the soundtracks for *Harry Potter and the Deathly Hallows (p2)*, *Home Alone* and *Ghostbusters* and the world premieres of the live to film versions of *Top Gun: Maverick* and *Avatar*. Across all venues the RPCO undertook a total of 20 film and video game score performances (22 in the previous year).

RPO Resound (Community and Education programme)

Across the year, RPO Resound delivered 201 musical workshops and events compared to 203 the previous year, involving 10,892 attendees.

Relaxed concerts were well received in Brent, Northampton and Sunderland with a combined audience of 679 across the three concerts. This is a 20% increase in average attendance compared to the four comparable concerts in 2024.

Over the year, a core part of RPO Resound's outreach work has been in Brent, where multiple projects took place, including Black History Month and Brent Music Service's Summer Celebration concert. The Brent Sound Sanctuary project funded by The Baring Foundation continued, working in a variety of community and healthcare settings. Monthly drop-in sessions supported participants in accessing instruments, writing lyrics and melodies and taking part in therapeutic creative activities. Pilot and recruitment workshops were run with Brent Music Academy with a full year programme starting for the first cohort in September 2024. RPO Resound collaborated with Punchdrunk Enrichment and other Brent based partners in proposing a programme to Arts Council England for a £550,000 National Lottery Place Partnership grant. The consortium, now titled Vi-Brent will focus on expanding local children's access to arts and culture, while creating sustainable new career pathways for young people.

STROKESTRA®, the Orchestra's stroke rehabilitation programme, continued its relationship with the Dr Phillips Centre for the Performing Arts in Orlando which commenced in October 2023. RPO musicians and a workshop leader delivered three modules during visits in 2025, training 12 local musicians and engaging 32 stroke survivors

Report of the Trustees for the year ended 31 March 2025 (continued)

in this rehabilitation approach. This final module of this phase of international training and rollout of the programme will complete in May 2025.

A priority for Resound this year was investing in skills development for RPO Orchestra members. Across the year 23 musicians received training in six sessions led by renowned creative leaders. Safeguarding training for musicians was provided via an online package and sessions led in-house.

Work outside London this year was at a lower level than previous years due to the reduced capacity of Music Hubs taking part in a major national reorganisation. Despite this, activity was delivered in all four principal residency areas (Crawley, Northampton, Reading and Hull), with more ambitious plans being laid with Music Hubs for next year. Additionally, the Lullaby Project, delivered in partnership with the award-winning Irene Taylor Trust, continued to provide a series of artistic highlights throughout the year with prison projects taking place in Styal (Manchester) and Hull, and highly impactful project with refugees in Reading, resulting in a performance with the full orchestra at the Hexagon.

The RPO continues to be in high demand for its Community and Education work with partners as diverse as the Royal Academy of Music Junior Department, Enable in Wandsworth, the National Youth Orchestra of the United Arab Emirates, Mill Hill County High School and ACS International Schools self-funding or paying for activity delivered as part of the Resound programme this year.

Marketing, Press & PR

2025 marked a record-breaking year for the Royal Philharmonic Orchestra's own-promotion concerts, delivering excellent results across performance, audience engagement, and media reach. Despite broader industry challenges, ticket sales for the RPO's London concerts remained consistently strong, with growth in audience diversity and first-time attendees across all our London venues.

Concerts conducted by Music Director Vasily Petrenko drew large audiences and earned widespread critical acclaim. The flagship series *Lights in the Dark*, commenced in January 2025 with a sold-out performance of *The Rite of Spring* at the Southbank Centre's Royal Festival Hall, setting a new record for box office revenue for an RPO concert at the Hall.

The RPO's ever-popular concert series at the Royal Albert Hall continued to perform well, including multiple sell-out performances. In March 2025 the evening performance of the Film Music Gala generated the highest-ever income for an RPO own-promotion at the Royal Albert Hall.

Beyond London, the RPO deepened its commitment to audience development through sustained investment in its residency venues in Reading, Crawley, Northampton, and Hull, where the Orchestra's Film Music Gala concert generated the highest box office income for its Hull concerts since the COVID-19 pandemic.

Strategic partnerships played a key role in expanding reach and deepening community engagement. A new collaboration with Quintain Living, in anticipation of the RPO's move to Wembley Park in September 2025, saw excellent take up of the £5 Brent Membership scheme tickets among residents. Elsewhere in Brent, two special performances: a relaxed concert designed for audiences who find traditional concerts challenging, and a performance of *The Goddess of Swan Lake*, both sold-out, exceeding sales targets. The performances not only attracted 86 new members to the Brent scheme, but also introduced the Orchestra to a wider demographic: 83%

Report of the Trustees for the year ended 31 March 2025 (continued)

of attendees were new to the RPO, and 42% of Swan Lake bookers identified as being of Indian heritage. Audience feedback across both performances was overwhelmingly positive.

2025 also saw significant national and international media coverage, driven by a successful pipeline of RPO generated press activity and the release of new consumer research. The RPO received widespread exposure across major news outlets including ITV, The i, Evening Standard, The Scotsman, Classic FM, BBC Radio 3, Sky News and numerous global media platforms. The RPO's annual Insights Report was also well received, particularly in regions where the Orchestra has residencies, meeting key strategic communication and PR objectives. The press coverage consistently reflected RPO messaging, with over 90% of articles incorporating quotes by members of the RPO leadership team.

Collaborations with broadcasters, digital platforms and mainstream media, including Snap and BBC Radio 3, continued to strengthen the RPO's brand and broaden its appeal to younger and more diverse demographics.

Impact and Relevance

The RPO has continued to play a vital role in the UK's cultural landscape this year, combining artistic excellence with a firm commitment to inclusion, diversity and innovation. The RPO has maintained a rich legacy of performance whilst shaping the future of orchestral music in the UK and beyond.

During the year the Orchestra has reached hundreds of thousands of people through a wide-ranging series of concerts in London, the UK, and internationally, demonstrating the Orchestra's commitment to bringing the thrill and excitement of live orchestral music to the widest possible audience.

Beyond the concert platform, through its ground-breaking RPO Resound community and education programme, the Orchestra worked with schools, hospitals, the criminal justice system and refugee centres to engage people from all walks of life. These initiatives were bespoke and tailored to support wellbeing, learning, and social inclusion, with a particular focus on reaching individuals who face barriers to accessing arts and culture.

Demonstrating its commitment to championing diversity and reflecting modern Britain, some of the programmes that were delivered during the year focused on inclusive themes, innovative collaborations, and performances designed for neurodiverse and underrepresented communities. Audience development strategies, such as the Brent Membership Scheme and community ticketing initiatives, proved effective in attracting new and diverse audiences.

Financial Review

The results for the year to 31 March 2025 and the preceding financial year are set out in the Consolidated Statement of Financial Activities on page 26.

Total group income in 2025 decreased by £343,924 or 3% to £10,509,096, due to the Orchestra's major biennial tour to the USA and large-scale engagements taking place last year. Compared to 2023, the previous year without a USA tour, income increased by £474,386 or 5%. 79% (2024 - 78%) of the income for the year is performance income, comprising box office receipts, orchestra hire and fees. This proportion of earned income, rare in the

Report of the Trustees for the year ended 31 March 2025 (continued)

orchestral sector, reflects the range of the RPO's creative work. 18% of income in 2025 (2024 – 20%) is donations, grants and legacies and 3% (2024 - 2%) is investment and other income.

Box office, orchestra hire and fees decreased by £253,333 or 3% to £8,260,762 reflecting the cycle of touring to the USA which is biennial and took place in 2024 but not 2025.

Donations, grants and legacies have decreased by £270,412 compared to 2024 to £1,880,098 (2024 - £2,150,510). The main reduction is donations from the American Friends of the RPO, which in 2024 supported the biennial tour to the USA.

Investment income has increased by £87,108 to £102,237 with fixed term deposits maturing in the year and funds, including currency balances, being moved to deposit accounts more frequently.

Other income, including royalties, licensing and ticket booking fees increased by 54% or £92,713 to £265,999. Excluding a £50,000 legal settlement, other income increased by 25%.

Expenditure in 2025 was £11,288,986, a decrease of £595,607 or 5% compared to 2024, reflecting last year's major tour to the USA.

Expenditure on the charitable activities of performance and outreach accounted for 95% of expenditure (2024 – 97%) and decreased by £774,861 or 7% over the prior year, reflecting the Orchestra's schedule. Musicians' fees and associated costs account for 85% of the decrease, with travel related costs (connected with touring) accounting for most of the balance.

Expenditure on raising funds represents 5% of total costs and increased by £179,254 or 43% in 2025 due to additional staffing and more supporter events. In addition to the annual Gala dinner, an International Patrons trip was introduced in February 2025, with supporters joining the Orchestra on a tour to Austria and Germany.

54% of total expenditure (2024 – 57%) was on fees to musicians, including Members of the Orchestra, extra orchestral musicians, soloists, conductors and choirs. Other production costs accounted for 22% of total expenditure (2024 – 22%). Support and other fundraising costs represent 24% of total expenditure, compared to 21% last year.

Unrealised gains of £475 (2024 – gains £16,806) arose on investments, due to revaluing at the 31 March market values. The long-term investment fund was established in 2022 with donations received in the form of shares and cash. Other movements in the fund during 2025 and 2024 were dividend income and fund management fees.

Net expenditure before taxation for the year was a £779,414 deficit (2024 - £1,014,767 deficit). The surplus for the year after tax relief was £479,794 (2024 - £80,412 surplus after tax relief.)

Reserves

There has been a £65,005 net utilisation of restricted funds in 2025 (2024 - £130,931 net utilisation). This reflects the donation of funds raised for the Brent Music Academy programme to the newly established charity, utilisation of funding for concert and recording projects and utilisation of a grant to support an intern position.

Designated reserves of £518,930 (2023 - £414,010) comprise a £220,000 Residency Development fund, a Property dilapidations fund of £64,717, the Long-term development fund of £182,285 and designation of £51,928 for Community and Education projects, being a proportion of income from own promotion ticket sales (Ticket levy

Report of the Trustees for the year ended 31 March 2025 (continued)

fund). The Ticket levy fund and a rise in the dilapidations fund account for the increase in designated reserves year on year. The majority of the Residency Development fund will be utilised when the RPO moves its administrative office to Wembley Park. This will now take place in September 2025. This move from the current administrative office in Clerkenwell and the ending of the lease on the Orchestra's warehouse in Greenford in 2027 are anticipated to give rise to utilisation of the dilapidations fund.

The RPO's reserves policy is to hold minimum free reserves (defined as unrestricted reserves, excluding tangible fixed assets and share capital) at a level equivalent to three months' of the next years' budgeted unrestricted expenditure. Free reserves are held to enable the RPO to meet commitments as they fall due, to protect against financial risks which may crystallise (largely factors arising from the exposure to variable income levels and cost commitments and income diverging) and to finance investments and improvements which go beyond normal annual spend.

At 31 March 2025, free reserves stood at £4,161,399 (2024 - £3,671,366), equating to 3.8 months (2024 – 3.8 months) budgeted unrestricted expenditure, therefore meeting the reserves policy.

Future Plans

Future plans include continuing investment in artistic quality by increasing the amount of rehearsal time allocated to the Orchestra's Cadogan Hall series; evolving the Royal Albert Hall popular series to include an even wider audience base; continuing to integrate our community and education and concert work both at home and abroad and creating deeper and more meaningful connections with communities and audiences.

The beginning of the year to March 2026 will include the conclusion of Vasily Petrenko's *Lights in the Dark* series featuring Strauss' *An Alpine Symphony* and Stravinsky's *The Firebird*, both being concerts in May 2025 at the Royal Albert Hall. At the first of these, the pianist Yunchan Lim will perform Chopin's *Piano Concerto no. 2* and at the second, violinist Maxim Vengerov will perform violin concertos by Sibelius and Wieniawski. A concert at the Royal Festival Hall in June 2025, will feature the music of Dorothy Howell and Tchaikovsky as well as Florence Price's piano concerto performed with the pianist Jeneba Kanneh-Mason.

A highlight of the 2026 year will be the performance in April 2025 of Shostakovich's *Symphony No 7 Leningrad*, Weill's *Four Walt Whitman Songs* featuring baritone Roderick Williams and Sibelius's *Finlandia*, all as part of the Southbank Centre's inaugural *Multitudes Festival*. The project, produced in partnership with the Southbank Centre, incorporates the world premiere of a commissioned visual installation by Kirill Serebrennikov and Ilya Shagalov entitled *Symphony of Shadows*.

August 2025 will mark the start of Vasily Petrenko's fifth year as Music Director of the Royal Philharmonic Orchestra. His 2025-2026 season will feature music that is deeply personal and intimate as well as music that encompasses the whole universe. This will include concerts featuring Mahler's *Symphonies No 1, 5 and 6* performed at the Royal Albert Hall and recorded for future release and Shostakovich's *Symphony No 10* and Scriabin's *The Divine Poem* at the Southbank Centre's Royal Festival Hall. Other concerts at the Royal Albert Hall include the new format *Symphonic Soul: A Celebration of Motown and More* (April 2025). The 2025-2026 season at Cadogan Hall will feature Conductor-in-Residence Kevin John Edusei and music for the voice. Concerts across the UK will include the music of Composer-in-Association Joe Hisaishi and the Orchestra will perform two concerts at the BBC Proms 2025, one with Vasily Petrenko and one with Joe Hisaishi.

Report of the Trustees for the year ended 31 March 2025 (continued)

2026 will also feature Sir John Rutter, an artist with a long association with the RPO, with concerts at St Paul's Cathedral in November 2025, A Christmas Celebration at the Royal Albert Hall in December 2025 and in Orlando, Florida in January 2026.

Touring plans in the year to March 2026 include two summer tours (July and August 2025) of European Festivals with Anne Sophie-Mutter, Bruce Liu, Pablo Ferrandez and Daniel-Mueller Schott, including the Orchestra's return to the Lucerne Festival. These performances will be conducted by Vasily Petrenko and Lina Gonzalez-Granados and feature the music of John Williams. Also in July 2025, the Orchestra will tour Japan and Korea including concerts at the Lotte Concert Hall in Seoul and the Tokyo Dome and Suntory Hall with the orchestra's Composer-in-Association Joe Hisaishi.

The Orchestra will return to the Enescu Festival with Vasily Petrenko in September 2025 with concerts featuring pianists Bruce Liu and Alexandre Kantorow followed by a five-concert tour of Spain with Vasily Petrenko in October 2025. After a concert with Sir John Rutter in Orlando, Florida in January 2026, the Orchestra will continue its tour of the US with Vasily Petrenko.

The Orchestra's partnerships in Brent remain very important to the RPO and future plans include developing a new show focused on environmental sustainability in collaboration with the immersive theatre company for young people Punchdrunk Enrichment, a fellow Vi-Brent consortium member, to be developed and premiered in Wembley Park before being toured around the world. Development work for this project is anticipated to take place in 2026 alongside other performance work in Brent.

Our commitment to touring the UK will include Music Director, Vasily Petrenko conducting concerts in Northampton (October 2025) and Hull (February 2026) as well as concerts at Nottingham Royal Concert Hall (October 2025) and the Glasshouse Gateshead (February 2026). The RPO continues to invest heavily in existing residencies, particularly in Hull, Northampton, Crawley, Reading and Brent, with Arts Council England support.

The Orchestra has evolved its collaboration with BBC Radio 3 and anticipates broadcasts of two to three concerts per year.

In March of 2025 the RPO and *harmonia mundi* announced a new recording partnership featuring RPO recordings conducted by Vasily Petrenko. This relationship is designed to increase the profile of the Orchestra in the international market, in particular giving visibility to its relationship with Vasily. Future release plans include Rachmaninov *The Bells* and Elgar *Falstaff* (to be released in November 2025); Bartok Concerto for Orchestra and Stravinsky *The Rite of Spring*; Strauss *An Alpine Symphony* and a survey of Mahler symphonies.

A new five year Strategic Plan will be approved by the Board in 2026 setting out the ambitions and priorities for the RPO.

Principal Risks and Uncertainties

The Trustees have established procedures for considering the significant risks to which the company is exposed and measures to mitigate the impact of those risks. These procedures include tasking the Audit Committee to review the overall risk profile of the Orchestra, the mitigating controls currently in place and additional actions proposed for the next twelve months. Management assesses the risks on the risk register each quarter. The Audit Committee focuses on an area of risks at each of its quarterly meetings so that all risks are reviewed by the Committee at least once a year. High or rising risks are subject to further scrutiny and progress tracked.

Report of the Trustees for the year ended 31 March 2025 (continued)

The risks that could follow from a lean schedule of performances has been recognised for many years and the Orchestra's management has successfully mitigated this by diversifying the work of the Orchestra as well as its sources of income. This diverse portfolio of work is a sound protection against declining income and consequently this remains a feature of the RPO's strategy, as is increasing donations and sponsorship for the Orchestra.

Securing financially viable invitations to perform, particularly outside London has been becoming more challenging over several years. With Arts Council England National Portfolio Organisation support, Orchestra Tax Relief and philanthropic income, the Orchestra is working hard to maintain the opportunity for audiences to experience great orchestral concerts where they are.

International touring is a key part of the Orchestra's work. When possible, projects are planned years ahead, but can be subject to late changes and new conditions, ranging from arrangements with artists to new compliance requirements. The Orchestra's touring work is managed by an experienced team supported by promoters with local knowledge to mitigate these risks.

Going Concern

Forecasts for the years ended 31 March 2026 and 2027 indicate that reserves will cover unavoidable outgoings throughout both years. Therefore, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS' REPORT

Reference information

Reference information, administrative details and key advisors are set out on page 1 of this report and changes of directors during the year are set out on page 15.

Background and Constitution

The Royal Philharmonic Orchestra Limited (also known as the RPO) is a charity registered with the Charity Commissioners for England and Wales (registration no. 244533) and is a company incorporated in England and Wales under the Companies Acts, as a company limited by shares (company no. 763836). Incorporated in 1963, the company is governed by its Memorandum of Association and Articles of Association. All full playing members of the Orchestra are required to hold 100 ordinary shares of £10 each.

The Royal Philharmonic Orchestra Limited has a wholly owned trading subsidiary, RPO Promotions Limited (company no. 04028129), previously named RPO Licensing Limited, which acts as a creative producer of orchestral concerts for the RPO.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2025 (continued)

Governance

The Directors of RPO Limited, who also act as the Board of Trustees, are responsible for the overall governance of the company. The Directors during the year to 31 March 2025 and up to the date of this report are:

Andrew Storey	Chair and Member of the Orchestra	-
Elisabeth Varlow	Vice Chair and Member of the Orchestra	-
Sarah Bardwell	Managing Director	Appointed 23 September 2024
Lord Paul Boateng	Non-Executive Director	-
Elizabeth Case (née Kistruck)	Non-Executive Director	-
Johsua Cirtina	Member of the Orchestra	-
Lindsay Dodsworth	Non-Executive Director	Appointed 24 June 2025
Patrick Flanagan	Member of the Orchestra	-
Her Excellency Karen-Mae Hill	Non-Executive Director	Retired 23 May 2024
Benjamin Hulme	Member of the Orchestra	Appointed 8 May 2024
Philip Keller	Non-Executive Director	-
John Russo	Non-Executive Director	Appointed 24 June 2025
Sali-Wyn Ryan	Member of the Orchestra	-
Sonia Sielaff	Member of the Orchestra	Appointed 12 November 2024
Timothy Watts	Member of the Orchestra	Retired 8 June 2024
James Williams	Managing Director	Retired 30 June 2024

The Company's Articles of Association set out that the Board will comprise a minimum of seven Directors and a maximum of thirteen, including the Managing Director. Other than the Managing Director, the maximum number of Directors comprises seven members of the Orchestra and five non-executives. The Board has recruited new Directors during the year to 31 March 2025 as vacancies have arisen. In November 2024 the Nominations Committee undertook a public recruitment process to appoint two new Non-Executive Directors. Following considerable interest and applications from over 160 people, Lindsay Dodsworth and John Russo were appointed to the Board in June 2025.

Directors are appointed either by votes of members at the annual general meeting or, to fill a vacancy until the next annual general meeting, by a majority of directors. Non-executive Directors are recommended by the Nominations Committee and appointed on the basis of their skills and experience and in relation to the needs of the company. The term of office for non-executive Directors is five years with the potential to be reappointed for a further five-year term. Non-executive Directors are unremunerated. Player-member Directors are appointed for a three-year term of office. Each year, eligible members of the Orchestra may be nominated for election to the Board to fill any vacancies, including any player Directors who have completed one or more three-year terms.

The Board of Trustees meets four times a year to ensure robust governance and deal with all major issues that concern the well-being of the Orchestra.

The Board allocates time at each meeting to monitor progress against the Business Plan using a Balanced Scorecard, which comprises a range of financial and non-financial measures. Each quarter the Board also reviewed and approved progress against the National Portfolio Organisation activity and investment plans prior to reporting to

Report of the Trustees for the year ended 31 March 2025 (continued)

Arts Council England. Safeguarding is also a standing Board agenda item and the Board has a designated Safeguarding Trustee who meets with members of Management during the year.

The Board reviewed the RPO's nominees to the Board of the Brent Music Academy. Throughout the year, the Board scrutinised elements of the RPO's business model including the profile of work, the fundraising pipeline, digital marketing and ticket prices. In March 2025, the Board agreed a process for developing the next five-year Strategic Plan, which will be presented for approval in 2026.

The Audit Committee, a sub-group of the Board of Trustees, is chaired by a Non-Executive Director and meets prior to each Board meeting to monitor the Orchestra's financial internal controls, governance and risk management. External advisors are invited to attend the Audit Committee when additional expertise is required. The Committee met four times in the year, maintaining oversight of finances, future scenario planning and risks.

During 2025, the Audit Committee oversaw the implementation of decisions taken in 2024 to manage long and short-term investments with the aim of increasing investment income. The Committee also reviewed analyses of the RPO's business model prior to presentation to the Board.

Remuneration policy

The Audit Committee is responsible for making recommendations to the Board on the remuneration of the Managing Director and the remuneration framework for other staff. The Non-Executive Directors are responsible for approving the framework for musicians' fees and the service fees of the Chair and Vice Chair.

Induction and Training of Directors

Newly appointed Directors receive briefings from the Chair, Managing Director and Senior Management. All Directors are encouraged to attend performances and Resound activities and keep in touch with the work of the RPO through social media, newsletters and updates. Guidance on regulatory change and best practices are circulated or reported to Directors and briefings are provided in groups or one-to-one as required. Directors are encouraged to attend available training and sector updates.

Organisation and Management

The Royal Philharmonic Orchestra (RPO) is one of the world's leading symphony orchestras with a reputation for quality, versatility and diversity in the repertoire it performs, reaching live and online audiences of over 70 million annually. The RPO performs regularly in London, at its London residency venue, Cadogan Hall, at the Royal Albert Hall, where it is Associate Orchestra, at the Royal Festival Hall and at its new home in the London Borough of Brent. The RPO performs around the UK, returning to residency venues and aims to build new partnerships each year. Overseas tours are an integral part of the RPO's annual performance schedule.

RPO Ltd formed The Royal Philharmonic Concert Orchestra (RPCO) in 1987, which performs a broad programme of symphonic, light classical and popular music, working with internationally renowned classical and popular artists, in the UK and overseas. The RPCO plays to an estimated annual audience of over 200,000.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2025 (continued)

RPO Resound is the RPO's community and education programme, which operates across the UK, supporting the Orchestra's residency programme. Working in partnership with the music education sector and charity partners, this comprehensive programme reaches the young and the old, the disadvantaged and those restricted through ill-health or disability. The RPO Resound programme has also been shown to increase the number of first-time attendees at the Orchestra's concert performances.

RPO Ltd's management services are provided from its administrative office which was based in Clerkenwell, London during the year and is moving to Wembley Park in September 2025. Key management of the Orchestra are the Managing Director who leads the senior management team and the Deputy Managing Director. The heads of the five departments – Artistic Planning and Partnerships, Concerts Management, Business Development (incorporating marketing and development), Finance and HR, and Community and Education - all report directly to the Managing Director, who in turn reports to the Board of Trustees. This team comprises experienced staff with a range of skillsets who continue to develop their ability to fulfil the Orchestra's objectives in all aspects of its work, whether delivering outstanding performances or enabling the education and community work of RPO Resound.

In addition there is an RPO Advisory Council, which is a group of professionals with a range of knowledge and experience who gather four times a year to review ways to support the Orchestra. Current areas of focus for the Council include considering ways in which to create a home for the Orchestra, plans to celebrate the 80th anniversary of the Orchestra and developing new partnerships.

Related Parties

The Royal Philharmonic Orchestra Trust is an independently controlled but connected charity registered with the Charity Commissioners for England and Wales (registration no. 232270). It was established on 9th November 1963 with the objective of the advancement of the musical education of mankind and in particular promoting, encouraging and supporting the practice and performance of orchestral music by the Royal Philharmonic Orchestra. The Royal Philharmonic Orchestra Trust has provided considerable support to the Orchestra over the years.

The principal asset of the Royal Philharmonic Orchestra Trust is a freehold property which is occupied by the administrative offices of the Orchestra for an annual rent, which was reduced from £108,000 to £84,000 from 25 December 2024, reflecting open market rent. At 5th April 2025, net assets in the unaudited accounts of the Royal Philharmonic Orchestra Trust were £1,067,984 (2024 - £954,663), which included cash and fixed term deposits of £616,770 (2024 - £514,002).

Brent Music Academy is also an independently controlled but connected charity established in July 2023 and registered with the Charity Commissioners for England and Wales (registration no. 1204014). Brent Music Academy aims to advance the education of children and young adults, primarily in Brent and the surrounding areas, in music performance and production. At 31 August 2024, net assets in the unaudited accounts of the Brent Music Academy were £100,994, represented by cash of £100,942 and other net receivables of £52.

The American Friends of the Royal Philharmonic Orchestra ("American Friends") is a public charity registered in the United States District of Columbia, with a 501 (c) (3) charitable tax-exempt status. The purposes of the organisation are to educate the public regarding classical music and to promote the educational efforts of the Royal Philharmonic Orchestra and similar classical music organisations in the United States.

In the year to 31 March 2025, the American Friends provided donations of £126,094 to support the Orchestra's annual Gala evening and concerts and recordings, including projects with John Rutter and Vasily Petrenko in 2025 and 2026. In the previous year, the American Friends provided donations of £353,248 to support the Orchestra's

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2025 (continued)

tour of the USA including a community and education programme, a recording and performance of songs by Prince Albert and a performance of John Rutter's music conducted by the composer. It is anticipated that the American Friends will continue to support USA tours which take place biennially.

At 31 December 2024, net assets in the unaudited accounts of the American Friends were \$1,483,453 (2023 \$1,327,826), represented by cash and investments of \$1,483,953 (2023 - \$1,340,275) and other net payables \$500 (2023- \$12,449).

Fundraising

The Royal Philharmonic Orchestra gratefully acknowledges the generous support it receives from private individuals, corporate sponsors, and charitable Trusts and Foundations. This vital support helps to sustain the Orchestra's artistic excellence and powers its mission to enrich lives through orchestral experiences that are uncompromising in their excellence, wide-ranging in their appeal and inclusive in their delivery.

The RPO's Development Team is focused on securing funding from Trusts and Foundations, as well as cultivating lasting relationships with individual donors and corporate partners through a variety of membership and giving opportunities.

The Orchestra is proud to work in partnership with a wide range of valued companies, including ACS International Schools, Calderwood Wealth Management, Capital Hotel, Chestertons, D'Arblay Wealth, Elephant Communications, Lionside Ltd, Mann Partnership, MDR Mayfair, Northern Trust, Red Carnation Hotels, Riverstone Living, RØDE, Seven Hills, Ten Trinity Square Private Club, and The Lansdowne Club.

The RPO is committed to upholding the highest standards in fundraising. We are registered with the Fundraising Regulator and strictly adhere to data protection legislation.

We are proud of the strong, enthusiastic relationships we share with our supporters, many of whom have been involved with the RPO for more than 10 years, and we are grateful to those who introduce the RPO and its work to other potential supporters. We have received no complaints about our fundraising activity, which is reviewed quarterly by the Board to ensure transparency and accountability.

Inclusion, Diversity and Equal Opportunities

The RPO seeks to offer diverse RPO and RPCO concert programmes and varied RPO Resound projects across the UK, including in areas of economic and social deprivation.

The Board approves an Inclusion and Diversity Action Plan each year. The broad aims of the Action Plan are to improve workplace inclusion, expand the diversity of recruits to the staff and Orchestra and to contribute to a diverse talent pipeline. The RPO's Inclusion and Diversity Working Group, a cross-organisation body comprising musicians and staff has met three times in the year. The Working Group monitors progress on the Action Plan at each of its meetings and recommends improvements to inclusive practices within the RPO.

The Orchestra has made progress in 2025 towards its commitment to diversity in the workforce in the orchestral world, particularly through an active role in Recruiting Classical, a project with partner orchestras and Black Lives

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2025 (continued)

in Music to attract global majority musicians into the sector. The RPO is putting into practice the orchestral best practice recruitment plan promoted by the Association of British Orchestras and Black Lives in Music.

The gender balance on the Board at 31 March 2025 was 6 men and 5 women (prior year 8/3). The RPO senior leadership team at 31 March 2025 comprised 3 men and 3 women, whilst the overall gender balance across Members of the Orchestra was 40 men and 29 women (prior year 42/26) and across employees, was 14 men and 27 women (prior year 14/22).

Acknowledgements

The Trustees would like to express their appreciation and thanks to the people and organisations who support the Orchestra's wide-ranging programme of performances and outreach work. These include the Orchestra's President Mrs Foriel-Destezet, Benefactors and Patrons, Members of the RPO Club, RPO Young Patrons and the Brent Membership scheme and supporters of the American Friends of the RPO.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office as the company's auditors. A resolution to reappoint the firm as auditors will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the income and expenditure of the group 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements

Report of the Trustees for the year ended 31 March 2025 (continued)

comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Annual Report is approved by the Trustees of the charity. The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as Directors in company law of the Charity.

By order of the Trustees

A handwritten signature in black ink, appearing to read 'A Storey', followed by a small dash.

Andrew Storey
Chairman
25 September 2025

Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited

We have audited the financial statements of the Royal Philharmonic Orchestra Limited for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company 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 charitable company'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 section of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

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 this fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Auditor's responsibility 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Royal Philharmonic Orchestra Limited
Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Royal Philharmonic Orchestra Limited
Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)

Use of our report

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

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date: 9 October 2025

Royal Philharmonic Orchestra Limited
Consolidated Statement of Financial Activities
For the year ended 31 March 2025

Note	Unrestricted Funds 2025 £	Designated Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Income					
Donations, grants and legacies					
Arts Council England Grants	963,808	-	-	963,808	963,808
Education and Community Grants	-	-	51,081	51,081	195,240
Sponsorship and donations	524,108	-	341,101	865,209	991,462
Charitable Activities					
Box office, orchestra hire and fees	8,208,834	51,928	-	8,260,762	8,514,095
Other income	215,999	50,000	-	265,999	173,286
Investment income	98,184	4,053	-	102,237	15,129
Total income	10,010,933	105,981	392,182	10,509,096	10,853,020
Expenditure on:					
Raising funds	594,861	-	-	594,861	415,607
Charitable activities	10,235,402	1,536	457,187	10,694,125	11,468,986
Total expenditure	10,830,263	1,536	457,187	11,288,986	11,884,593
Net unrealised gains on investments	-	475	-	475	16,806
Net (expenditure) / income before taxation	(819,330)	104,920	(65,005)	(779,414)	(1,014,767)
Tax credit	1,259,209	-	-	1,259,209	1,095,179
Net movement in funds for the year	439,879	104,920	(65,005)	479,795	80,412
Total funds brought forward	3,885,298	414,010	318,830	4,618,138	4,537,726
Total funds carried forward	4,325,177	518,930	253,825	5,097,932	4,618,138

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account. There were no recognised gains and losses in the current or preceding financial year other than those dealt with in the Statement of Financial Activities. All income and expenditure relates to continuing activities.

The notes on pages 29 to 48 form part of these financial statements.

Royal Philharmonic Orchestra Limited
Consolidated and Charity Balance Sheets
at 31 March 2025

	Note	Consolidated		Charity	
		2025 £	2024 £	2025 £	2024 £
Fixed Assets					
Tangible assets	14	92,778	142,932	92,778	142,932
Investments	15	182,285	179,293	182,287	179,295
		275,063	322,225	275,065	322,227
Current Assets					
Debtors	16	1,907,148	1,899,698	2,177,256	1,897,676
Short term investments		668,578	-	668,578	-
Cash at bank and in hand		4,022,553	3,759,744	3,746,880	3,757,489
		6,598,279	5,659,442	6,592,714	5,655,165
Creditors : Amounts falling due within one year	17	(1,775,410)	(1,363,529)	(1,770,660)	(1,359,254)
Net Current Assets		4,822,869	4,295,913	4,822,054	4,295,911
Total Assets less Current Liabilities		5,097,932	4,618,138	5,097,119	4,618,138
Net Assets	19	5,097,932	4,618,138	5,097,119	4,618,138
Funds					
Called up share capital	20	71,000	71,000	71,000	71,000
Unrestricted funds		4,254,177	3,814,298	4,253,364	3,814,298
Designated funds	21	518,930	414,010	518,930	414,010
Restricted funds	22	253,825	318,830	253,825	318,830
Total Funds	23	5,097,932	4,618,138	5,097,119	4,618,138

The notes on pages 29 to 48 form part of these financial statements.

Approved by the board and authorised for issue on 25 September 2025



Andrew Storey

Chairman

Royal Philharmonic Orchestra Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2025

	Note	2025 £	2024 £
Net Cash provided by / (used in) operating activities	a	844,023	(180,326)
Cash flows (to) / from investing activities			
Interest received		98,184	11,266
Purchase of short-term investments		(668,578)	-
Dividends received		4,053	3,863
Purchase of fixed asset investments		(4,053)	(3,863)
Purchase of property, plant and equipment		(10,820)	(14,212)
Net cash used in investing activities		(581,214)	(2,946)
Change in cash and cash equivalents		262,809	(183,272)
Cash and cash equivalents:			
At the beginning of the year		3,759,744	3,943,016
At the end of the year		4,022,553	3,759,744

Cash and cash equivalents were all cash in hand or at bank at 31 March 2025 and 2024. The charity has no net debt and therefore no net debt note is presented.

a. Reconciliation of Net movement in funds to Net Cash provided by operating activities

	2025 £	2024 £
Net movement in funds	479,794	80,412
Depreciation charges	60,974	59,274
Interest income	(98,184)	(11,266)
Dividend income	(4,053)	(3,863)
Management fee charged against investments	1,536	2,194
Unrealised (gain) on investments	(475)	(16,806)
Loss on disposal of fixed assets	-	29
Increase in debtors	(7,450)	(96,928)
Increase / (decrease) in creditors	411,881	(193,372)
Net cash provided by / (used in) operating activities	844,023	(180,326)

**Notes to the Financial Statements
For the year ended 31 March 2025**

1. Accounting policies

a. Scope of the Financial Statements

The financial statements of the Royal Philharmonic Orchestra Limited (RPO Ltd), present the consolidated financial statements of the RPO Ltd and its subsidiary RPO Promotions Ltd comprising the Group Statement of Financial Activities (SOFA), the Group and Parent Charity Balance Sheet and the Group and Parent Charity Statement of Cash Flows.

b. Basis of Consolidation

The group financial statements consolidate on a line by line basis, the financial statements of the charitable company RPO Ltd and its subsidiary RPO Promotions Ltd, made up to 31 March 2025.

c. Accounting Convention

The financial statements have been prepared in accordance with the United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

RPO Ltd is a public benefit entity for the purposes of FRS 102 and a registered charity. Its financial statements are therefore also prepared in accordance with the "Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102" (Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and under the historical cost convention as modified by the revaluation of investments, being measured at fair value through income and expenditure within the Statement of Financial Activities. The principal accounting policies are set out below and have been applied consistently throughout the year.

The financial statements are prepared in sterling, the functional currency of the charitable company and its subsidiary. Monetary amounts are rounded to the nearest pound.

d. Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Forecasts for the years ended 31 March 2026 and 2027 indicate that reserves will cover unavoidable outgoings throughout both years. The major outgoings of the company are event-related, including fees paid to self-employed orchestral musicians, soloists and conductors. These are not incurred unless events take place and therefore the company is able to reduce a significant proportion of costs in line with income, albeit at the expense of programming.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

Therefore the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for a period not less than twelve months from the date of signing these financial statements. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

e. Significant accounting estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

- Entitlement to donations and sponsorship may arise prior to, or after, amounts being received as cash. Judgement is therefore required to determine that entitlement conditions have been met.

f. Statement of financial activities

As the company is a registered charity it has adapted the Companies Act formats to reflect the special nature of the charity's activities.

Income

Income comprises box office receipts, hire of the Orchestra in respect of concerts, recordings, engagements and tours; grants, including Arts Council grants; sponsorship fees and advertising, excluding VAT. The income and result for the year are wholly attributable to the principal activities of the charity and its subsidiary.

The income of the charity includes the recharge of costs to its subsidiary, RPO Promotions Limited, which is eliminated on consolidation. Therefore the income of the charity is higher than the income of the group as explained in note 5.

Donations and legacies

Grants, donations (including legacies) and sponsorship are accounted for on a receivable basis and are credited to the Statement of Financial Activities when the conditions for receipt are met. Where grants are received for performances in future accounting periods, these are treated as deferred income.

Government grants

Government grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the associated costs for which the grant is intended to compensate.

Government grants which are for wider purposes, such as the Arts Council England National Portfolio grant are recognised when received.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

Accounting policies (continued)

Expenditure

Performance related costs consist of performers' fees, venue and other costs, including marketing, which are specific to arranging performances. Support costs have been allocated to activity cost categories on a basis consistent with the use of resources. These include indirect costs that have been apportioned on the basis of time estimated to have been spent by management in governing the charity. Governance costs include those costs incurred in the governance of the charity and are primarily associated with compliance with constitutional and statutory requirements.

Leases

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

Pensions

The charitable company operates a defined contribution workplace pension scheme. Contributions have been made in respect of eligible employees, either to this workplace scheme, or to employees' personal pension arrangements, unless employees have opted not to participate in any scheme. Musicians' fees include pension allowances which may be paid to members who have eligible personal pension arrangements. Contributions are charged to the Statement of Financial Activities on an accruals basis.

g. Tangible Fixed Assets

Fixed assets of £2,500 or more are capitalised and the cost is written off on a straight line basis over the expected useful lives of the assets concerned. The expected useful lives of the depreciated assets are as follows:

Computer equipment	3 years
Motor Vehicles	7 years
Library	25 years
Concert Equipment	4 years
Office fittings and equipment	5 years
Warehouse fittings and equipment	10 years or the period remaining on the warehouse lease

h. Fixed Asset investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their bid value at the balance sheet date without deduction of the estimated future selling costs.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

All gains and losses are taken to the income and expenditure section of the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and original cost. Unrealised gains and losses are calculated as the difference between the market value at the

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

Accounting policies (continued)

Fixed Assets Investments (continued)

end of the year and opening market value, or purchase date if later. Realised and unrealised gains are not separated in the Statement of Financial Activities.

i. Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

j. Designated funds

Designated funds are those which have been applied or reserved by the Trustees for a specific purpose and are set out in note 20.

k. Restricted funds

Restricted funds are those which are used in accordance with restrictions specified by donors or which have been raised by the Charity for particular purposes. The purposes for which restricted funds are held are analysed in note 21.

l. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

m. Short-term investments

Short-term investments are deposits held with banks with original maturities of more than three months.

n. Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 16 and 17 for the debtor and creditor notes.

o. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

2. Comparative Consolidated Statement of Financial Activities for the year to 31 March 2024

	Note	Unrestricted Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Income					
Donations, grants and legacies					
Arts Council England Grants		963,808	-	-	963,808
Grants for RPO Resound		-	-	195,240	195,240
Sponsorship and donations		402,678	-	588,784	991,462
Charitable Activities					
Box office, orchestra hire and fees		8,514,095	-	-	8,514,095
Other income		173,286	-	-	173,286
Investment income		11,266	3,863	-	15,129
Total income	5	10,065,133	3,863	784,024	10,853,020
Expenditure on:					
Raising funds	6	415,607	-	-	415,607
Charitable activities	6	10,551,837	2,194	914,955	11,468,986
Total expenditure		10,967,444	2,194	914,955	11,884,593
Net unrealised gains on investments		-	16,806	-	16,806
Net (expenditure) / income before taxation	8	(902,311)	18,475	(130,931)	(1,014,767)
Tax credit	9	1,095,179	-	-	1,095,179
Net movement in funds for the year		192,868	18,475	(130,931)	80,412
Total funds brought forward		3,692,430	395,535	449,761	4,537,726
Total funds carried forward		3,885,298	414,010	318,830	4,618,138

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

3. Summary Financial Performance of the Parent Charity

	Note	Total Funds 2025 £	Total Funds 2024 £
Income			
Donations, grants and legacies			
Arts Council England Grant		963,808	963,808
Grants for RPO Resound		51,081	195,240
Sponsorship and donations		865,209	991,462
Charitable Activities			
Box office, orchestra hire and fees		8,260,762	8,514,095
Other income		265,999	173,286
Intercompany income		4,700,223	6,251,075
Investment income		101,566	15,129
Total income	5	15,208,648	17,104,095
Expenditure on:			
Raising funds		593,867	414,538
Charitable activities		14,136,275	16,625,951
Total expenditure		14,730,142	17,040,489
Net unrealised gains / (losses) on investments		475	16,806
Net movement in funds in the year		478,981	80,412
Total funds brought forward		4,618,138	4,537,726
Total funds carried forward		5,097,119	4,618,138

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2025 (continued)

4. Statement of Subsidiary's activities

RPO Promotions Limited is a wholly owned subsidiary of the Royal Philharmonic Orchestra Limited which is commissioned to produce certain RPO concerts which are eligible for orchestra tax relief.

The trading results of RPO Promotions Limited and its assets, liabilities and funds at the year-end are summarised below.

	2025 £	2024 £
Turnover	3,452,874	5,164,003
Cost of Sales	(4,424,522)	(5,775,498)
Gross Loss	(971,648)	(611,495)
Administration Expenses	(287,419)	(483,684)
Operating Loss for the year	(1,259,067)	(1,095,179)
Interest income	671	-
Loss before taxation	(1,258,396)	(1,095,179)
Taxation	1,259,209	1,095,179
Profit / (loss) for the year after Tax	813	-
Assets	1,301,010	1,091,344
(Liabilities)	(1,300,194)	(1,091,344)
Net Funds	815	2

5. Income Analysis

	By Source of Funds		By Location of Activity	
	2025 £	2024 £	2025 £	2024 £
United Kingdom	6,261,477	6,778,145	7,958,265	7,496,149
Europe	2,399,457	1,359,465	1,270,446	384,309
USA	415,157	1,956,054	95,322	1,557,711
Other	1,432,334	759,356	1,184,392	1,414,851
	10,508,425	10,853,020	10,508,425	10,853,020
Intercompany income	4,700,223	6,251,075	4,700,223	6,251,075
Total Charity income	15,208,648	17,104,095	15,208,648	17,104,095
Add: Subsidiary's UK interest income	671	-	671	-
Less: Intercompany income	(4,700,223)	(6,251,075)	(4,700,223)	(6,251,075)
Total Consolidated income	10,509,096	10,853,020	10,509,096	10,853,020

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2025 (continued)

6. Expenditure Analysis

	Note	2025	2024
		£	£
Cost of raising funds			
Musicians' fees and associated costs		7,924	1,425
Venue costs		52,493	39,419
Travel related and other costs		42,193	26,936
Advertising and marketing costs		965	918
Support costs	7	491,286	346,909
Total cost of raising funds		594,861	415,607
Cost of charitable activities			
Musicians' fees and associated costs		6,125,894	6,780,731
Venue costs		468,926	470,361
Travel related and other costs		1,618,881	1,822,671
Advertising and marketing costs		315,277	297,490
Support costs	7	2,165,147	2,097,733
Total cost of charitable activities		10,694,125	11,468,986

7. Support costs

Support costs have been allocated to activities based on estimates of staff time or use of resource.

	Cost of raising funds	Charitable	Governance	Total 2025
	£	£	£	£
Staff and staff related costs	364,105	1,441,879	112,217	1,918,201
General office costs	57,931	313,736	5,107	376,774
Legal, professional and marketing costs	28,826	126,340	-	155,166
Finance and depreciation charges	5,224	177,593	-	182,817
Audit	-	-	23,475	23,475
	456,086	2,059,548	140,799	2,656,433
Allocation of governance support costs	35,200	105,599	(140,799)	-
Total support costs	491,286	2,165,147	-	2,656,433

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

Support costs (continued)

	Cost of raising funds £	Charitable £	Governance £	Total 2024 £
Staff and staff related costs	237,118	1,375,891	114,284	1,727,293
General office costs	43,283	333,513	5,289	382,085
Legal, professional and marketing costs	23,557	171,287	-	194,844
Finance and depreciation charges	7,526	110,769	-	118,295
Audit	-	-	22,125	22,125
	311,484	1,991,460	141,698	2,444,642
Allocation of governance support costs	35,425	106,273	(141,698)	-
Total support costs	346,909	2,097,733	-	2,444,642

Staff and staff related costs includes salaries, national insurance, pension, training and recruitment.

8. Net (expenditure) / income

Net (expenditure) / income is stated after charging:

	2025 £	2024 £
Operating lease rentals	211,377	217,816
Auditor's remuneration for annual audit	23,475	22,125
Auditor's fees for taxation services	8,500	4,485
Depreciation of owned assets	60,974	59,274

9. Taxation

The Royal Philharmonic Orchestra Limited (RPO Ltd) is a registered charity and is thus exempt from tax on income and gains falling within part 11 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992, to the extent that these applied to its charitable objectives. No tax charges have arisen in the charity in either 2025 or 2024.

The subsidiary RPO Promotions Ltd has taxable profits in 2025 of £671 (2024 - £nil). It was eligible to claim Orchestra Tax relief in 2025 of £1,259,209 (2024 - £1,095,179).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

10. Staff costs

	2025	2024
	£	£
Salaries	1,819,445	1,640,735
Social security costs	195,244	174,617
Pension costs	82,667	73,695
Other short-term benefits	1,239	3,516
	<u>2,098,595</u>	<u>1,892,563</u>

The number of employees whose total employee benefits (excluding pension contributions but including benefits in kind) in excess of £60,000 were:

	2025	2024
	Number	Number
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£120,001 - £130,000	1	-
£170,001 - £180,000	-	1

The average number of people employed by the company during the year was as follows:

	2025	2024
	Number	Number
Concerts Management	14	13
Community and Education	4	4
Business Development	12	9
Management, Finance and Administration	7	7
Total	<u>37</u>	<u>33</u>

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2025 (continued)

11. Key management

Key management is defined as the Board of Trustees (including the Managing Director) and the Deputy Managing Director. Including social security costs, benefits in kind and pension contributions, remuneration of key management was £351,895 (2024 - £355,800), comprising remuneration of the Managing Director, Deputy Managing Director, Chair and Vice Chair.

12. Directors' emoluments

Total directors' emoluments including benefits in kind and pension contributions, were £182,485 (2024 – £202,637). The only members of the Board who receive payment for their managerial and administrative services to the company, are the Chair, Vice Chair and Managing Director. The emoluments of the highest paid director fell within the range £100,001- £110,000 (2024 £180,001 - £190,000). Expenses reimbursed to the highest paid director in each year totalled £1,418 (2024 - £23,178) in respect of travelling, subsistence and office costs.

13. Transactions involving directors and other related parties

Directors – Orchestral performance fees

The directors who are playing members of the Orchestra receive performance fees on the same scale as those paid to other playing members, as permitted under the company's Articles of Association. The total performance fees paid during the period in which they were directors are as follow:

	2025	2024
	£	£
Joshua Cirtina	54,628	26,131
Shana Douglas	-	23,733
Patrick Flanagan	43,885	48,673
Benjamin Hulme	32,020	-
Matthew Knight	-	13,733
Sali-Wyn Ryan	46,301	51,762
Sonia Sielaff	19,351	-
Andrew Storey	62,422	57,880
Elisabeth Varlow	42,146	46,977
Timothy Watts	400	17,082
Adam Wright	-	44,705
	301,153	330,716

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2025 (continued)

Transactions involving Directors and other related parties (continued)

Directors – Other transactions

Directors made donations totalling £6,500 in the year (2024 - £20,100).

Loans to members of the Orchestra

The Board may approve loans to members of the Orchestra to further the purposes of the charity, generally for the purchase or repair of musical instruments. Interest is usually charged at 4% of the outstanding loan balance and repayments are made monthly.

Loans during each year were:

Player	Loan Purpose	Original Loan £	Balance at		
			31 Mar 2023 £	31 Mar 2024 £	31 Mar 2025 £
B Cunningham	Purchase of double bass	20,000	-	18,194	-
E McDonough	Purchase of flute	16,000	12,874	9,347	5,312
K Morgan	Purchase of tuba (*)	10,000	-	-	-
P Flanagan	Purchase of oboe	8,600	-	6,516	3,678
K Ayling	Purchase of clarinets	5,000	3,145	1,465	-
S Sverev	Purchase of violin	4,785	-	-	4,281
Total receivable			16,019	35,522	13,271

(*) advanced and repaid in year ended 31 March 2024

Royal Philharmonic Orchestra Trust

The Royal Philharmonic Orchestra Trust, an independently controlled, but connected charity, held a minority shareholding in RPO Ltd at the end of the financial year of 800 shares (2024: 800 shares). There were no amounts receivable from or payable to the Trust at 31 March 2025 (2024 - £3,424 receivable).

Brent Music Academy

Brent Music Academy is an independently controlled but connected charity to which RPO granted £45,800 in 2025 (2024 - £5,000), being the balance of funds raised for Brent Music Academy programmes up to January 2024.

American Friends of the Royal Philharmonic Orchestra

The American Friends of the Royal Philharmonic Orchestra (American Friends) is a charity registered in the United States of America, with charitable purposes similar to those of RPO Ltd. There was £192 receivable from the American Friends at 31 March 2025 (2024 - £1,650).

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2025 (continued)

Transactions involving Directors and other related parties (continued)

Transactions between parent charity and subsidiary

The Royal Philharmonic Orchestra Limited commissioned its subsidiary RPO Promotions Limited to produce certain RPO concerts, for which a fee of £3,452,545 (2024 - £5,164,003) is payable by the Royal Philharmonic Orchestra Limited to its subsidiary and in respect of which production costs of £4,700,223 (2024 - £6,251,075) are receivable from the subsidiary.

The balance owed by RPO Promotions Limited to the parent charity at 31 March 2025 is £1,295,445 (2024 - £1,087,067), as set out in note 16.

14. Tangible Fixed assets

Consolidated and Charity

	Computer Equipment £	Motor Vehicles £	Library £	Concert Equipment £	Office and Warehouse Fittings and equipment £	Total £
Cost						
At 1 April 2024	63,068	310,690	46,889	146,866	47,243	614,756
Additions	10,820	-	-	-	-	10,820
Disposals	(4,923)	-	-	-	(22,780)	(27,703)
At 31 March 2025	68,965	310,690	46,889	146,866	24,463	597,873
Depreciation						
At 1 April 2024	52,385	236,716	2,032	141,054	39,637	471,824
Charge in the year	10,098	44,384	1,876	2,334	2,282	60,974
Disposals	(4,923)	-	-	-	(22,780)	(27,703)
At 31 March 2025	57,560	281,100	3,908	143,388	19,139	505,095
Net Book Value						
At 31 March 2025	11,405	29,590	42,981	3,478	5,324	92,778
At 31 March 2024	10,683	73,974	44,857	5,812	7,606	142,932

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2025 (continued)

15. Fixed asset investments

15.1 Fixed asset investments – Consolidated and Charity

	Consolidated		Charity	
	2025 £	2024 £	2025 £	2024 £
Investment Fund at market value	182,285	179,293	182,285	170,293
Shares in group company at cost	-	-	2	2
Total Fixed Asset Investments	182,285	179,293	182,287	179,295

The Investment fund comprises publicly tradeable shares and investment funds, held for long-term growth. The charitable company has a wholly owned subsidiary, RPO Promotions Limited, registered in England and Wales. The aggregate capital and reserves of RPO Promotions Limited amounted to £815 at 31 March 2025 (2024 - £2). The activities of RPO Promotions Limited are explained in note 4.

15.2 Movement in Fixed Asset Investments

	2025 £	2024 £
Market value at 1 April	172,293	160,818
Less:		
Disposal proceeds	-	(93,460)
Net Cash (withdrawn)	-	(6,258)
Add:		
Acquisitions at cost	-	93,460
Net cash reinvested	2,517	-
Net gain on revaluation	475	24,733
Market value at 31 March	182,285	179,293
Historic cost at 31 March	177,588	174,757

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2025 (continued)

15.3 Fixed Asset Investment portfolio by geography

	2025	2024
	£	£
Investment assets in the UK	76,003	75,485
Investment assets outside the UK	106,282	103,808
Total Market value at 31 March	182,285	179,293

15.4 Fixed Asset Investment portfolio by asset class

	2025	2024
	£	£
Fixed interest bonds	8,856	8,952
UK Equities	49,082	49,370
Overseas Equities	106,282	103,808
Property and alternative assets	9,874	11,505
Cash	8,191	5,658
Total Market value at 31 March	182,285	179,293

16. Debtors

	Consolidated		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	251,150	459,953	251,150	459,953
Current tax recoverable	1,025,337	1,089,089	-	-
Amounts owed by group undertakings	-	-	1,295,445	1,087,067
Other debtors	18,590	83,057	18,590	83,057
Prepayments and accrued income	612,071	267,599	612,071	267,599
Total Debtors	1,907,148	1,899,698	2,177,256	1,897,676

Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

17. Creditors: Amounts falling due within one year

	Consolidated		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	83,491	83,867	83,491	83,867
Musicians' fees	617,818	509,183	617,818	509,183
Social security and other taxes	199,286	263,899	199,286	263,899
Other creditors	4,672	39,342	4,672	39,342
Accruals	306,185	127,754	301,435	123,479
Billings in advance	563,958	339,484	563,958	339,484
Total Creditors due within one year	1,775,410	1,363,529	1,770,660	1,359,254

Other creditors include £2,775 (2024 - £3,795) representing cash held on behalf of the Trustees of the Royal Philharmonic Orchestra Sickness and Benevolent Fund.

Billings in advance represent fees and ticket sales received in advance of the event to which they relate:

	2025	2024
	£	£
At 1 April 2024 / 2023	339,484	666,083
Additions	536,021	252,684
Released	(311,547)	(579,283)
At 31 March 2025 / 2024	563,958	339,484

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

18. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
As at 31 March 2025				
Fixed assets	92,778	182,285	-	275,063
Current assets	5,934,519	336,645	327,115	6,598,279
Current liabilities	(1,702,120)	-	(73,290)	(1,775,410)
	4,325,177	518,930	253,825	5,097,932
As at 31 March 2024				
Fixed assets	142,932	179,293	-	322,225
Current assets	5,074,515	234,717	350,210	5,659,442
Current liabilities	(1,332,149)	-	(31,380)	(1,363,529)
	3,885,298	414,010	318,830	4,618,138

19. Called up share capital

	2025 £	Authorised 2024 £	Allotted and Fully Paid 2025 £	2024 £
Ordinary shares of £10 each	100,000	100,000	71,000	71,000

The company's Memorandum of Association prohibits the payment of dividends, return of capital or distribution of surplus funds to the shareholders in the event of the winding up of the company. All ordinary shares carry full voting rights.

20. Designated funds

	2025 £	2024 £
Residency development fund	220,000	220,000
Dilapidations fund	64,717	14,717
Long-term development fund	182,285	179,293
Ticket levy fund	51,928	-
	518,930	414,010

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

Designated funds (continued)

The residency development fund is to invest in artistic programming and organisational systems and resources to develop residencies, including the move of the administrative office to Wembley Park. The dilapidations provision relates to the warehouse at Greenford and the administrative office in Clerkenwell. The long-term development fund is held as shares and units in investment funds for long-term growth. The ticket levy fund is a designation of £1 of each own promotion ticket sale (equivalent to 80p net of VAT) for investment in Community and Education projects.

21. Restricted funds

	Community and Education projects £	Orchestral performances £	Core costs £	Total Funds £
Year to 31 March 2025				
Balance at 1 April 2024	144,635	168,750	5,445	318,830
Received during the year:				
Trusts, foundations and local authorities	7,000	89,123	-	96,123
Donations/sponsorship	44,081	251,978	-	296,059
Expenditure during the year	(104,024)	(347,718)	(5,445)	(457,187)
Balance at 31 March 2025	91,692	162,133	-	253,825
Year to 31 March 2024				
Balance at 1 April 2023	169,492	280,269	-	449,761
Received during the year:				
Trusts, foundations and local authorities	86,652	318,072	5,445	410,169
Donations/sponsorship	108,588	265,267	-	373,855
Expenditure during the year	(220,097)	(694,858)	-	(914,955)
Balance at 31 March 2024	144,635	168,750	5,445	318,830

Community and Education projects cover a range of participatory activities in the community, public spaces and health settings and with under-represented and hard to reach groups, schools, families and patients.

Orchestral performances are concerts and recordings supported by restricted donations.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

22. Reconciliation of movement in funds

	Total Unrestricted Funds				Total Funds £
	Called-up Share Capital £	Other Unrestricted Funds £	Designated Funds £	Restricted Funds £	
Year to 31 March 2025					
Balance at 1 April 2024	71,000	3,814,298	414,010	318,830	4,618,138
Income	-	10,010,933	105,981	392,182	10,509,096
Expenditure	-	(10,830,263)	(1,536)	(457,187)	(11,288,986)
Net unrealised gains on investments	-	-	475	-	475
Tax credit	-	1,259,209	-	-	1,259,209
Balance at 31 March 2025	71,000	4,254,177	518,930	253,825	5,097,932
Year to 31 March 2023					
Balance at 1 April 2023	71,000	3,621,430	395,535	449,761	4,537,726
Income	-	10,065,133	3,863	784,024	10,853,020
Expenditure	-	(10,967,444)	(2,194)	(914,955)	(11,884,593)
Net unrealised (losses) on investments	-	-	16,806	-	16,806
Tax credit	-	1,095,179	-	-	1,095,179
Balance at 31 March 2024	71,000	3,814,298	414,010	318,830	4,618,138

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2025 (continued)

23. Operating lease commitments

The company has annual operating lease commitments as follows:

	Land and Buildings 2025 £	Land and Buildings 2024 £
Commitments arising in:		
Less than one year	177,080	190,816
Two to five years	476,034	229,260
More than five years	2,132,146	-
	<u>2,785,260</u>	<u>420,076</u>

The leases relate to the company's premises in London, UK which include a warehouse in Greenford and an administrative office. The administrative office is moving from Clerkenwell to Wembley Park in October 2025.

The lease for the warehouse in Greenford was renewed in July 2022 for a period of five years.

The company's lease of premises in Clerkenwell is ending in October 2025 and a 25-year lease of new premises in Wembley Park commenced in August 2025.

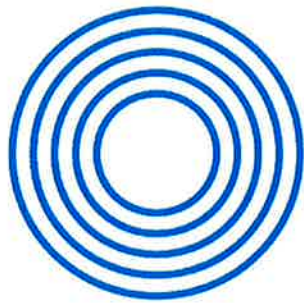
24. Capital Commitments

The company had capital commitments at 31 March 2025 of £47,838 relating to the leasehold fixtures and fittings for the Wembley Park premises (2024 – nil).

ROYAL PHILHARMONIC ORCHESTRA LIMITED

England & Wales - Charity number 244533

Accounts



ROYAL PHILHARMONIC ORCHESTRA

ROYAL PHILHARMONIC ORCHESTRA LIMITED

Company Number 00763836

Registered Charity Number 244533

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2024

Royal Philharmonic Orchestra Limited
Consolidated Report and Financial Statements

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Company Information

Patron

HRH King Charles III

Music Director

Vasily Petrenko

President

Aline Foriel-Destezet

Directors

Andrew Storey (Chair)

Elisabeth Varlow (Vice Chair)

Sarah Bardwell (Managing Director)

Lord Paul Boateng

Elizabeth Case (née Kistruck)

Joshua Cirtina

Patrick Flanagan

Benjamin Hulme

Phillip Keller

Sali-Wyn Ryan

Company Secretary

Ann Firth

Independent Auditor

Moore Kingston Smith LLP

6th Floor

9 Appold Street

London EC2A 2AP

Bankers

Bank of Scotland

Pentland House

8 Lochside Avenue

Edinburgh EH12 9DJ

National Westminster Bank

Regent Street Branch

250 Regent Street

London W1B 3BN

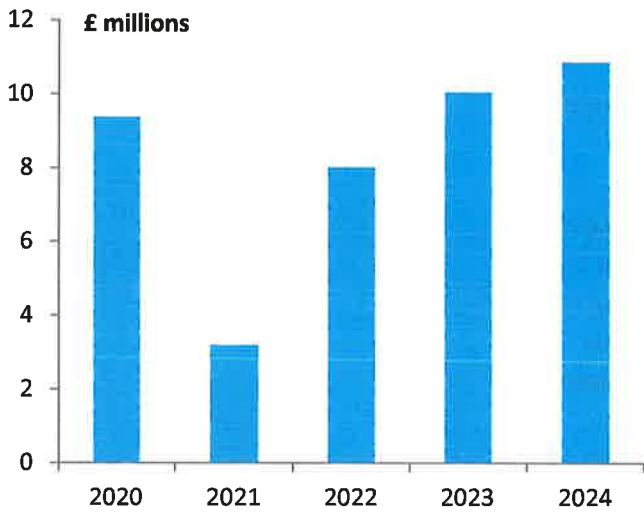
Registered Office

16 Clerkenwell Green

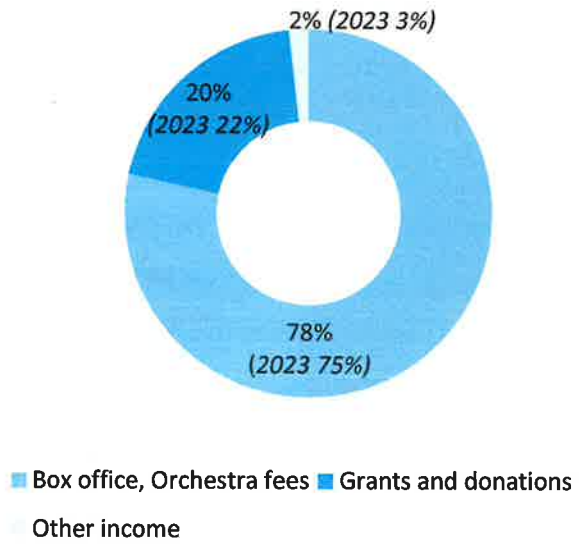
London EC1R 0QT

Royal Philharmonic Orchestra Limited
Financial Headlines Charts

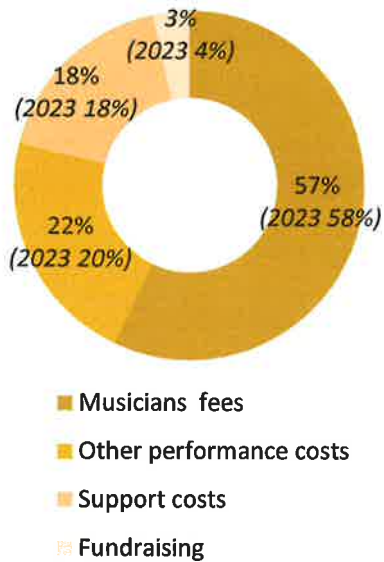
Five year income trend



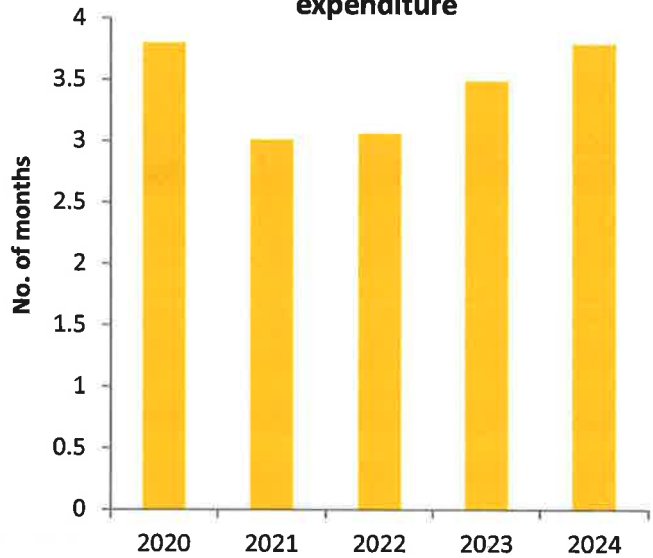
2024 Income



2024 Costs



Free Reserves - number of months' expenditure





204 Royal Philharmonic Orchestra and Royal Philharmonic Concert Orchestra concerts



650,000 estimated live audience



47 recording sessions



5 countries visited on tour



179 community and education workshops and **24** performances



15,226 engagements with workshops



1,240 musicians engaged

Chairman's Statement

The Royal Philharmonic Orchestra (RPO) has enjoyed another strong year of achievement, growth and resilience, both on and off the concert platform. We have continued in our mission to bring the joy of orchestral music to the widest possible audience and have been excited to reach new and diverse audiences in the UK and around the world. The Orchestra continues to be entrepreneurial, seizing opportunities and building on our global presence with our Music Director Vasily Petrenko, pursuing our unwavering commitment to artistic excellence.

Throughout the year we have expanded our reach and deepened our engagement with new and existing audiences, with a busy schedule of concerts, recordings and community and education projects, all of which showcased the RPO's versatility. Our landmark series of concerts titled "Icons Rediscovered", conducted by Vasily Petrenko at London's Royal Albert Hall and Royal Festival Hall, attracted record attendance and critical acclaim, while at Cadogan Hall we continued our tradition of working with the world's most talented young soloists and conductors. Outside of London, we were delighted to have performed in 19 towns and cities across the UK, many of which have historically been underserved by great orchestral music.

The RPO's digital expansion continued to flourish and our streamed concerts and digital content attracted a global audience, enhancing accessibility and providing an enriching experience for those who cannot attend a live performance.

The RPO has a long-held ambition to make great orchestral music accessible to all. As part of this, our community and education initiatives have continued to target underrepresented communities, with free workshops, discounted concert tickets and performances in non-traditional venues, including a series of relaxed concerts that allowed the audience to enjoy the music in a way that suited them best. This approach helps make the RPO an inclusive organisation that seeks to embrace diversity both on stage and in the audience.

Despite a challenging economic environment, we have continued to see an increase in ticket sales (back to pre-pandemic levels) and strong revenue generation from engagements and tours. Philanthropic support from sponsors, benefactors and Trusts and Foundations, have made a significant contribution towards enabling us to reach our financial targets. On behalf of everyone at the RPO, I extend heartfelt thanks to all our supporters at home and abroad.

As we look to 2024-25 and beyond, the RPO is well-placed to build on the success of the last year through an ambitious and diverse programme of activity. We are particularly looking forward to developing the artistic partnership with our new Composer-in-Association Joe Hisaishi, as well as with our Music Director Vasily Petrenko, with whom we have many exciting projects planned.

Finally, I would like to extend my gratitude to the many people without whom the RPO would not exist - the musicians, staff, Trustees, partners, promoters, supporters and our wonderful audiences. I am filled with optimism for the future as we continue to bring the joy of great orchestral music to the widest possible audience, ensuring that the RPO remains a beacon of excellence for generations to come.

Andrew Storey

Chairman

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2024

The Trustees, who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of the Companies Act 2006, present their annual report and the consolidated financial statements of the group for the year ended 31 March 2024. These comply with the Companies Act 2006 and the Charities Act 2011. The Trustees have also adopted the provisions of 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 updated and reissued in January 2022. The Trustees, in preparing the strategic report, have complied with section 414C of the Companies Act 2006.

References to '2024' and '2023' in this report mean the years ended 31 March 2024 and 31 March 2023, respectively.

STRATEGIC REPORT

Objects

The Royal Philharmonic Orchestra Limited is established to promote, maintain and advance education, particularly musical education and to encourage the arts. The Orchestra continues to be totally committed to its twin objectives of making music of the highest quality and reaching the widest possible audience. The Orchestra plays an important role in enriching people's lives whilst striving to further its charitable purposes for the benefit of the public, both in the concert hall and in the community.

Public Benefit

The Royal Philharmonic Orchestra (RPO) and Royal Philharmonic Concert Orchestra (RPCO) demonstrate their reach across the public at large through the diversity of orchestral music performed and the numerous locations in which they appear. In addition, a majority of Royal Philharmonic Orchestra concerts in the United Kingdom (including London), involve direct engagement with the public or have a learning or enrichment activity attached to them, such as an open rehearsal or a music making workshop. The Orchestra's programme also features work with groups that may not easily be able to access musical experiences such as the visually impaired, children with special educational needs, prisoners and refugees.

The Orchestra works with schools and universities in the United Kingdom to deliver part of their musical education offer. It has also formed partnerships with orchestras and institutions outside the United Kingdom to share community and education outreach expertise, enabling those orchestras in the future to be promoters of musical education and the arts, for the benefit of the public in their localities. Musical teaching professional development is provided each year, for members of the Orchestra, teachers in the education sector and workshop leaders. The Orchestra has developed the Brent Music Academy into a new charity and contributes with founding partners Brent Music Service and ICMP to the Academy's music education programme.

The Orchestra also works in the health sector, in stroke rehabilitation and mental health services, harnessing the power of music to support improvements in health and wellbeing.

Operating at the highest professional artistic levels, the Orchestra is able to develop the musical talents of orchestral musicians, soloists and conductors and regularly features a diverse range of young and emerging artists in its programmes.

Report of the Trustees for the year ended 31 March 2024 (continued)

Highlights of the year reported on elsewhere in this report demonstrate the public benefit of activities. The Trustees can therefore confirm that the Royal Philharmonic Orchestra Limited has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission of England and Wales.

Vision, Mission and Values

The vision, mission and values of the RPO have been drawn from strategic planning and dialogue involving the perspectives of the Orchestra membership, staff, audiences and partners:

Vision

The Royal Philharmonic Orchestra aspires to:

- be an orchestra for the modern world, unafraid to push boundaries
- place orchestral music at the heart of contemporary society, deepening engagement with communities and creative partners
- be a respected cultural ambassador locally, nationally and internationally

Mission

The Royal Philharmonic Orchestra's mission is to enrich lives through orchestral experiences that are uncompromising in their excellence and inclusive in their appeal.

Values

- Excellence – we strive to achieve ambitious goals across our organisation
- Collaboration – in partnership, we achieve more together
- Inclusivity – great orchestral experiences must be accessible to all
- Resilience – our versatility is key to our success
- Responsibility – the talents of our musicians must be used for the benefit of everyone
- Passion – the driving force within the RPO

Activities and performance

Royal Philharmonic Orchestra (RPO)

2024 saw the Orchestra continue to undertake tours, UK performances, recordings and filming. 140 concerts in 2024 (2023 – 127) included 34 overseas (2023 – 31) and 32 (2023 – 21) in 19 UK towns and cities outside London (2023 – 16).

Performances include regional and overseas residencies providing Resound Community and Education projects and performances alongside full-scale orchestral concerts. This approach provides a more wide-ranging offer to regional residencies and overseas tours, broadening audiences for orchestral music, as well as mitigating the impact of travel on musicians and the environment.

Major projects in the year with the Orchestra's Music Director Vasily Petrenko included tours to, Italy, Japan, Spain, the United Arab Emirates and the USA as well as the conclusion of the *Journeys of Discovery* season, the opening concerts of the *Icons Rediscovered* season in London and two performances in Nottingham.

Report of the Trustees for the year ended 31 March 2024 (continued)

The *Journeys of Discovery* season of concerts with Vasily Petrenko, exploring facets of the human character through music, continued with four concerts from April to June 2023 on the themes of Destiny, Dreams, Psychedelia and Conflict.

Exploring Destiny at the Royal Festival Hall, the Orchestra performed Tchaikovsky's *Manfred Symphony*, Dukas' *The Sorcerer's Apprentice* and Elgar's Cello Concerto with the soloist Daniel Müller-Schott. Bachtrack's review captured the performance: "under Petrenko, the RPO is an extremely stylish limousine, slipping almost imperceptibly through all the gears, but also powering along with maximum torque whenever required. This was splendidly on show in Tchaikovsky's largest and most challenging score, his *Manfred Symphony*."

Mahler's Third Symphony, depicting Dreams, was performed at the Royal Albert Hall in April with the Orchestra joined by the mezzo-soprano Hanna Hipp, the women of the Philharmonia Chorus and Tiffins Boys' Choir. "A memorable performance, then, which brought out the sheer scale and ambition of Mahler's conception whilst underlining the all-round excellence of the RPO near the end of its second season with Petrenko." - Arcana

Psychedelia in May 2023 at the Royal Festival Hall opened with Jennifer Higdon's *blue cathedral*, followed by Arabella Steinbacher performing Prokofiev's Violin Concerto No. 2 and closing with Berlioz' *Symphonie Fantastique*. The finale (Conflict) of the Journeys of Discovery series in June saw Nobuyuki Tsujii perform Tchaikovsky's Piano Concerto with the Orchestra and concluded with Shostakovich's wartime Symphony No. 8.

In May 2023, the Coronation Service of Their Majesties King Charles III and Queen Camilla, was watched by an estimated audience of 400 million worldwide. The RPO provided the operational support and music advice for the Coronation Orchestra (which comprised musicians from orchestras which have King Charles III as their patron), guest artists and choirs. The music programme included 12 commissions and featured international soloists including Sir Bryn Terfel and Pretty Yende.

Also In May 2023, pianist Isata Kanneh-Mason performed the last concert of her year as Artist-in-Residence at Cadogan Hall. A number of Resound Community and Education projects were included within concert activity in May, some featuring Isata and other collaborators.

The RPO returned to the Three Choirs Festival in July for two concerts under the conductor Adrian Partington: a performance of Vaughan Williams' *The Pilgrim's Progress* with the Three Choirs Festival Youth Choir and British Youth Opera and a performance with the Three Choirs Festival Choir, including Pott's A Song on the End of the World.

The Orchestra's BBC Proms concert in August 2023, conducted by Vasily Petrenko, included Beethoven's Piano Concerto No. 4 performed with Alexandre Kantorow and Shostakovich's Symphony No.10.

Otherwise, the schedule of work over summer 2023 was light due to touring plans that did not come to fruition for different reasons, a depressed UK promoter market and narrow opportunities for recording work.

September 2023 saw the return of Wemba's Dream at Wembley Park, celebrating the unique and diverse artists within the community of Brent. The performances in an underground car park, were a collaboration with Mahogany Carnival Arts, Sujata Banerjee Dance Company, St Michael's Steel Pan Orchestra, Trevor Brown and Word Up and featured new music by Dani Howard.

Report of the Trustees for the year ended 31 March 2024 (continued)

Autumn 2023 saw the launch of the *Icons Rediscovered* season of concerts with Vasily Petrenko at the Royal Albert Hall and Royal Festival Hall, looking afresh at iconic musical masterpieces, with a particular focus on the music of Sergei Rachmaninov and Edward Elgar. The *Icons Rediscovered* series of concerts concluded in summer 2024.

UK projects continuing in 2024 included Handel's *Messiah* on Good Friday, Raymond Gubbay Limited's *Carmina Burana* at the Royal Festival Hall, summer festivals at Leeds Castle and King's Lynn, and Christmas seasonal concerts.

Conductors making their Royal Philharmonic Orchestra debut in the year included Olivia Clarke, Charlotte Corderoy, Daniel Hyde, Tito Munoz, Leslie Sukanandarajah and Nil Venditti with concerts at Cadogan Hall, where the RPO is Resident Orchestra and as part of the RPO's seasons at one or more Residencies around the UK, including Reading, Hull and Northampton.

Cellist Zlatomir Fung's year as Artist in Residence at Cadogan Hall began in September 2023 with a performance of Elgar's *Cello Concerto*. In spring 2024, Zlatomir performed Haydn's *Cello Concerto* at Cadogan Hall and toured to Guildford, Hull, Northampton and Warwick with the Orchestra.

The Orchestra's biennial concert with composer / conductor Sir John Rutter at St Paul's Cathedral took place in November 2023. The programme comprised works by John Rutter, including his *Requiem* sung by The Bach Choir. The Orchestra's long-standing collaborations with John Rutter continued with the popular *Christmas Celebration* in December 2023 at the Royal Albert Hall. In February 2024, at St George's Chapel Windsor, John Rutter conducted the Orchestra's performance comprising Vaughan Williams and John Rutter compositions.

The Orchestra's overseas touring with Vasily Petrenko in the year began with a three-concert tour to Spain in April 2023. An eight-concert tour of Japan's major cities took place in May. The RPO returned to Italy for five concerts with Vasily Petrenko in mid-September, including performances at the Merano Festival and MiTO Settembre Musica Festival. In November 2023, the Orchestra performed two concerts in the United Arab Emirates, undertaking workshops and a side-by-side performance with the Abu Dhabi Youth Orchestra during the visit. A major twelve-concert tour of the USA in January 2024 completed the Orchestra's touring schedule for the year.

In addition to touring with Vasily Petrenko, the RPO undertook a second week-long residency at the Dr Phillips Center in Orlando in October 2023, performing six concerts with artists ranging from Birmingham Royal Ballet to Diana Ross as well as undertaking a substantial programme of Resound Community and Education work.

Over the year to March 2024, the RPO undertook far fewer recording sessions than in the previous year: 41 sessions across 25 projects compared to 113 sessions across 37 projects in 2023.

Recording projects in 2024 included discs with violinist Ray Chen and mezzo-soprano Aigul Akmestshina and the works of composers Karl Jenkins, Henry Mancini and Danaë Xanthe Vlasse. The RPO commissioned Paul Mealor to orchestrate and arrange seven songs by HRH Prince Albert, into a suite entitled *Liederkreis*, which was recorded in September 2023 and premiered at the 2023 Windsor Festival. Other novel recording projects in the year were the soundtrack to *The Moonwalkers: A Journey with Tom Hanks* for the show at Lightroom in London and the Bollywood music of Prashanth Palakurthi.

Royal Philharmonic Concert Orchestra (RPCO)

The Concert Orchestra undertook 21 engagements in 2024 compared to 23 in the previous year. Engagements in both years included a ten-concert tour to the United Arab Emirates to perform as part of the National Day celebrations and touring around the UK and Dublin with Matt Goss. The Concert Orchestra also toured the UK with Elvis Live and performed at a private engagement in India.

Concerts in the year at the Royal Albert Hall included the films *Lord of the Rings: The Two Towers and Return of the King*, *Jurassic Park*, *Harry Potter and the Deathly Hallows*, *Home Alone* and *La La Land*; a total of 22 film and video game score performances (17 in the previous year).

RPO Resound (Community and Education programme)

Across the year, RPO Resound delivered 203 musical workshops and events compared to a differing mix of 444 the previous year. These involved 15,226 attendances, higher than the 12,226 in 2023, mainly due to Relaxed concerts and work with youth orchestras.

Relaxed concerts were expanded to cover Brent, Reading, Sunderland and Scunthorpe as well as a *Noisy Kids* family concert in Reading with a combined audience of 3,300 across the five concerts.

RPO Resound worked with the Junior Academy at the Royal Academy of Music, the Orange County (California) Youth Symphony and Youth String Ensemble, the Abu Dhabi Youth Orchestra and with the Antigua and Barbuda Youth Symphony Orchestra (ABYSO). Overseas masterclasses and side-by-side performances are integrated where possible, with RPO tours, deepening the impact of the Orchestra's visits. The collaboration with ABYSO and members of the Kanneh-Mason family spanned a London visit and a programme of events in Antigua and Barbuda. In London, RPO Resound facilitated a combined performance by the ABYSO and Brent Youth Pops Concert Orchestra with Jess Gillam, Members of the Kanneh-Mason family and the RPO.

Over the year, a core part of RPO Resound's outreach work has been in Brent, where multiple projects took place, including Brent Windrush Day and Black History Month, Brent Music Service concerts and Wemba's Dream. The Brent Mental Health project funded by The Baring Foundation continued, working in a variety of community and healthcare settings. Monthly drop-in sessions supported participants in accessing instruments, writing lyrics and melodies and taking part in therapeutic creative activities. Brent Music Academy work in the year was largely focused on registering the Academy as an independent charity, establishing the Trustee Board with partners Brent Music Service and ICMP and supporting staff recruitment.

STROKESTRA®, the Orchestra's stroke rehabilitation programme, visited the Dr Phillips Centre for the Performing Arts in Orlando in October 2023 and Costa Mesa, California in January 2024. In Orlando three days of workshops with stroke survivors culminated in a public performance. In Costa Mesa, music and health students and clinicians from the University of California-Irvine were given an introduction to the programme including observing a participatory session for stroke survivors and care-givers. Delivery in Hull, the origin of the STROKESTRA® programme, took place across the year, completing a six-term project.

In Higher Education, RPO Resound worked with the University of Hull and Hull Music Service. The student programme in Hull included training for music students interested in expanding their creative leadership and music education skills whilst providing participatory music experiences for primary school children, exploring a piece of RPO concert repertoire and composing in response to the piece.

Report of the Trustees for the year ended 31 March 2024 (continued)

RPO Resound is developing a partnership with ACS International Schools, providing a series of participatory projects to engage students from ACS and local state schools with orchestral music. In December 2023, 300 students performed songs from musicals and a student-created piece, alongside the Royal Philharmonic Concert Orchestra, at G-Live in Guildford.

Creative workshops were also delivered during the year in Crawley, Northampton, Reading and Wandsworth in both school and community settings. The Special Schools and Looked after Children projects also continued in Wandsworth.

Marketing, Press & PR

As was the case in 2023, ticket sales across the year were mixed, with some concerts achieving high income and close to full capacity, whilst others were below target. Overall, for Own Promotion concerts, average income per ticket and the average tickets sold per concert, increased compared to the previous year. Popular concerts at the Royal Albert Hall were The Music of Bond and the Film Music Gala as well as Mahler's choral Symphony No. 3

Digital marketing has been focused on the use of data analytics and a more content driven approach, showcasing the Orchestra's performances, rehearsals and personalities. This has generated an increase in social media followers and there are early indications that the increase in social media followers is also translating into sales.

Marketing of concerts outside London has required different approaches and in some cases proved challenging. More joined-up work with venue partners on marketing programmes is showing signs of having an impact with January to March 2024 sales around 20% higher than the same period in 2023.

The RPO's ongoing programme of research generated positive interest from media outlets with the findings supporting articles on the impact of and interest in music, including on the topic of youth engagement with classical and orchestral music. The Orchestra's role in the King's Coronation in May 2023 also generated many media enquiries.

Impact and Relevance

The RPO's annual research programme has measured an increasing interest in orchestral concerts. Concert formats that have grown in popularity since 2018 are music from musicals, film soundtracks, pop/classical crossovers, TV soundtracks, family-friendly concerts and video game soundtracks. Newcomers to orchestral concerts now outnumber the established audience with 54% being new enthusiasts versus 31% long-time classical music fans.

These findings chime with the Orchestra's wide ranging repertoire which allows the broadest possible audience to engage with the joy of orchestral music and live performance, whilst RPO Resound has built up an internationally recognised body of practice in Community and Education outreach. The Orchestra continues to be committed to stimulating life-long learning and enjoyment of orchestral music.

The expansion of Relaxed performances in 2024 is part of the Orchestra's plans to open up RPO performances to as broad and inclusive an audience as possible. In September 2023, a sign language interpreter joined the Orchestra's Best of Broadway concert and in November surtitles were provided for Iolanthe at the Royal Albert Hall.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2024 (continued)

Financial Review

The results for the year to 31 March 2024 and the preceding financial year are set out in the Consolidated Statement of Financial Activities on page 25.

Total group income in 2024 increased by £818,310 to £10,853,020, due to the Orchestra's major tour to the USA in January 2024 and large-scale engagements. 78% (2023 - 75%) of the income for the year is performance income (comprising box office receipts, orchestra fees and hire), 20% (2023 - 22%) grants, donations and sponsorship and 2% (2023 - 3%) investment and other income.

Grants, donations and sponsorship have decreased by £65,581 compared to 2023 to £2,150,510 (2023 - £2,216,091). The strength of grants and sponsorship income in 2023 is attributable to funding for concert projects which had been deferred from 2021 and 2022 due to the Covid-19 pandemic, but could be realised last year.

The £67,679 decrease in investment and other income is primarily due to lower royalties and no foreign exchange gains arising.

Expenditure in 2024 was £11,884,593, an increase of £1,486,966 over the £10,397,627 of 2023, reflecting the major tour to the USA. The 14% increase in expenditure over 2023 is in line with the increase in income.

Expenditure on the charitable activities of performance and outreach accounted for 97% of expenditure (2023 - 96%) and £1,450,085 of the increase in the year. This increase reflects the wide-ranging RPO schedule, particularly the tour to the USA and the programmes of RPCO and RPO Resound.

Fundraising costs represent 3% of total costs and increased by £36,881 or 10% in 2024. Additional staffing accounts for £21,288 or 6% of the increase over 2024, with supporters catering costs (matched by income) accounts for the bulk of the remainder. Expenditure in both 2024 and 2023 includes a Gala dinner attended by supporters of the Orchestra.

57% of expenditure (2023 - 58%) was on fees to musicians, including Members of the Orchestra, extra orchestral musicians, soloists, conductors and choirs. Other production costs accounted for 22% of total expenditure (2023 - 20%). Support and other fundraising costs represent 21% of total expenditure, compared to 22% last year.

Unrealised gains of £16,806 (2023 - losses £11,727) arose on investments, due to revaluing at the 31 March market values. The long-term investment fund was established in 2022 with donations received in the form of shares and cash. Other movements in the fund during 2024 and 2023 were dividend income and fund management fees.

Net expenditure before taxation for the year was a £1,014,767 deficit (2023 - £474,644 deficit). The surplus for the year after tax relief was £80,412 (2023 - £809,165 surplus after tax relief.)

Reserves

There has been a £130,931 net utilisation of restricted funds in 2024 (2023- £216,158 net addition). This reflects utilisation of funding for concert and film projects as well as completion of a three-year stroke rehabilitation project (STROKESTRA®) in Hull.

Designated reserves of £414,010 (2023 - £395,535) comprise a £220,000 Residency Development fund, a Property dilapidations fund of £14,717 and the Investment fund of £179,293. Movements on the investment fund, including unrealised gains of £16,806, account for the change in designated reserves year on year.

Report of the Trustees for the year ended 31 March 2024 (continued)

The RPO's reserves policy is to hold minimum free reserves (defined as unrestricted reserves, excluding tangible fixed assets and share capital) at a level equivalent to three months unrestricted expenditure. Free reserves are held to enable the RPO to meet commitments as they fall due, to protect against financial risks which may crystallise (largely factors arising from the exposure to variable income levels and cost commitments and income diverging) and to finance investments and improvements which go beyond normal annual spend.

At 31 March 2024, free reserves stood at £3,671,366 (2023 - £3,433,407), equating to 3.8 months (2023 - 3.4 months) budgeted unrestricted expenditure, therefore meeting the reserves policy. This includes Orchestra Tax Relief of £1,095,179 which will not be received until January 2025.

Future Plans

The RPO's future plans centre on developing artistic excellence and on promoting inclusion and the opportunity to experience enriching orchestral music.

Sarah Bardwell has joined as Managing Director in September 2024 and will be leading the organisation's artistic strategies and organisational development, including establishing the Orchestra's head office in its new home in Wembley Park.

Artistic excellence stems from the Orchestra's work with its Music Director, Vasily Petrenko, including high profile performances on the international stage. In April 2024, Vasily extended his contract as Music Director through to 2030.

In the year to 31 March 2025, RPO overseas tours will include Germany, China, Poland, Hungary, Serbia and Greece. In London, the *Icons Rediscovered* concert series will draw to a close and the season from September 2024 to June 2025 will take as its theme '*Lights in the Dark*'. In this new season, the RPO and Vasily Petrenko will explore and celebrate composers who found themselves at odds with their societies and transformed those experiences into inspirational music.

In May 2024, the Orchestra, conducted by Emilia Hoving performed with Zlatomir Fung at the newly re-opened Bristol Beacon. The violinist, Johan Dalene will feature as Artist-in-Residence for the Orchestra's season of concerts at Cadogan Hall, which will also see some artists debut with the RPO as well as those continuing their collaboration with the Orchestra.

Also in May 2024, the RPO and Royal Albert Hall have announced the extension of the RPO's Associate Orchestra status until 2029. The partnership between the RPO and the Royal Albert Hall was formalised in 2019 and the continuation of this close working relationship will allow both organisations to build on their shared mission to broaden artistic programmes and the audiences for orchestral music at the Hall.

The RPO has also agreed a partnership with composer-conductor Joe Hisaishi, appointing him as the Orchestra's Composer-in-Association. The partnership will entail new commissioned work, studio recordings for Deutsche Grammophon and concerts in London and around the world.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2024 (continued)

Principal Risks and Uncertainties

The Trustees have established procedures for considering the significant risks to which the company is exposed and measures to mitigate the impact of those risks. These procedures include tasking the Audit Committee to review the overall risk profile of the Orchestra, the mitigating controls currently in place and additional actions proposed for the next twelve months. A review of each major risk category is undertaken each quarter and high or rising risks are subject to further scrutiny and progress tracked.

During 2024, the Board focused on the shifting profile of work, its artistic variety and gaps in the Orchestra's schedule of work, partnership working and changing scheduling and booking patterns in the music sector.

The risks associated with a lean schedule of performances has been recognised for many years and the Orchestra's management has successfully mitigated this by diversifying the work of the Orchestra as well as its sources of income. This diverse portfolio of work remains a sound protection against declining income and consequently this remains a feature of the RPO's strategy, as is increasing donations and sponsorship for the Orchestra.

Orchestra Tax Relief enables the Orchestra to create and tour new cultural events, benefitting communities and the UK economy. The reduction in the rate of the relief from 50% to 45% with effect from 1 April 2025 is less than had previously been anticipated. However restrictions in the scope of the relief from 1 April 2024 will reduce the value of the relief relative to claims in 2023 and 2024 and will require adaptations to the level of creative output that the Orchestra can achieve.

Going Concern

Forecasts for the years ended 31 March 2025 and 2026 indicate that reserves will cover unavoidable outgoings throughout both years. Therefore, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS' REPORT

Reference information

Reference information, administrative details and key advisors are set out on page 1 of this report and changes of directors during the year are set out below.

Background and Constitution

The Royal Philharmonic Orchestra Limited (also known as the RPO) is a charity registered with the Charity Commissioners for England and Wales (registration no. 244533) and is a company incorporated in England and Wales under the Companies Acts, as a company limited by shares (company no. 763836). Incorporated in 1963, the company is governed by its Memorandum of Association and Articles of Association. All full playing members of the Orchestra are required to hold 100 ordinary shares of £10 each.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2024 (continued)

The Royal Philharmonic Orchestra Limited has a wholly owned trading subsidiary, RPO Promotions Limited (company no. 04028129), previously named RPO Licensing Limited, which acts as a creative producer of orchestral concerts for the RPO.

Governance

The Directors of RPO Limited, who also act as the Board of Trustees, are responsible for the overall governance of the company. The Directors during the year to 31 March 2024 and up to the date of this report are:

Andrew Storey (Chair)

Elisabeth Varlow (Vice Chair)

Sarah Bardwell (Managing Director, appointed 23 September 2024)

Lord Paul Boateng

Elizabeth Case (nee Kistruck)

Joshua Cirtina (appointed 7 November 2023)

Shana Douglas (retired 7 November 2023)

Patrick Flanagan

Her Excellency Karen-Mae Hill (appointed 20 September 2023, retired 23 May 2024)

Benjamin Hulme (appointed 8 May 2024)

Phillip Keller

Matthew Knight (retired 7 November 2023)

Peter Lumley (retired 7 November 2023)

Sali-Wyn Ryan

Timothy Watts (appointed 7 November 2023, retired 8 June 2024)

James Williams (retired 30 June 2024)

Adam Wright (retired 14 February 2024)

The Company's Articles of Association set out that the Board will comprise a minimum of seven Directors and a maximum of thirteen, including the Managing Director. Other than the Managing Director, the maximum number of Directors comprises seven members of the Orchestra and five non-executives. The Board has recruited new Directors during the year to 31 March 2024 as vacancies have arisen.

Directors are appointed either by votes of members at the annual general meeting or, to fill a vacancy until the next annual general meeting, by a majority of directors. Non-executive Directors are recommended by the Nominations Committee and appointed on the basis of their skills and experience and in relation to the needs of the company. The term of office for non-executive Directors is five years with the potential to be reappointed for a further five year term. Player-member Directors are appointed for a three year term of office. Each year, eligible members of the Orchestra may be nominated for election to the Board to fill any vacancies, including any player Directors who have completed one or more three year terms.

The Board of Trustees meets four times a year to ensure robust governance and deal with all major issues that concern the well-being of the Orchestra.

During the year, the Board led the Managing Director recruitment process and appointed Sarah Bardwell to replace James Williams who left the Company in June 2024.

Report of the Trustees for the year ended 31 March 2024 (continued)

The Board allocates time at each meeting to monitor progress against the Business Plan using a Balanced Scorecard, which comprises a range of financial and non-financial measures. Each quarter the Board also reviewed and approved progress against the National Portfolio Organisation activity and investment plans prior to reporting to Arts Council England. The Board interrogated emerging issues, including developing the pipeline of work and approved a new Director of Artistic Planning and Partnerships position as well as additional staff to generate new income streams and deliver programmes.

During 2024, the Board reviewed and modified the Fundraising Strategy approved in 2023, taking into account the experience from the first year of implementation. The Board approved a refreshed terms of reference for the Advisory Council during 2024. The members of the Advisory Council lend their expertise and experience to the RPO, focused on developing new channels of income generation.

The Audit Committee, a sub-group of the Board of Trustees, is chaired by a Non-Executive Director and meets prior to each Board meeting to monitor the Orchestra's financial internal controls, governance and risk management. External advisors are invited to attend the Audit Committee when additional expertise is required. The Committee met four times in the year, maintaining oversight of finances, future scenario planning and risks.

The Audit Committee reviewed the Company's approach to long and short-term investments with the aim of increasing investment income and members of the Committee met with the Investment Manager of the long-term fund to assess the investment strategy. The Committee assessed the large financial commitments involved in programming Own promotion concerts and the components of developing the Orchestra's programme.

Remuneration policy

The Audit Committee is responsible for making recommendations to the Board on the remuneration of the Managing Director and the remuneration framework for other staff. The Non-Executive Directors are responsible for approving the framework for musicians' fees and the service fees of the Chair and Vice Chair.

Induction and Training of Directors

Newly appointed Directors receive a Directors' Handbook and briefings from the Chair, Managing Director and Senior Management. Guidance on regulatory change and best practices are circulated or reported to Directors and briefings are provided in groups or one-to-one as required. Directors are encouraged to attend available training and sector updates.

Organisation and Management

The Royal Philharmonic Orchestra (RPO) is one of the world's leading symphony orchestras with a reputation for quality, versatility and diversity in the repertoire it performs, reaching live audiences of over 300,000 annually. The RPO performs regularly in London, at its London residency venue, Cadogan Hall, at the Royal Albert Hall, where it is Associate Orchestra, at the Royal Festival Hall and at its new home in the London Borough of Brent. The RPO performs around the UK, returning to residency venues and building new partnerships each year. Overseas tours are an integral part of the RPO's annual performance schedule.

Report of the Trustees for the year ended 31 March 2024 (continued)

RPO Ltd formed The Royal Philharmonic Concert Orchestra (RPCO) in 1987, which performs a broad programme of symphonic, light classical and popular music, working with internationally renowned classical and popular artists, in the UK and overseas. The RPCO plays to an estimated annual audience of over 200,000.

RPO Resound is the RPO's community and education programme, which operates across the UK, supporting the Orchestra's residency programme. Working in partnership with the music education sector and charity partners, this comprehensive programme reaches the young and the old, the disadvantaged and those restricted through ill-health or disability. The RPO Resound programme has also been shown to increase the number of first-time attendees at the Orchestra's concert performances.

RPO Ltd's management services are provided from its office in Clerkenwell, London. Key management of the Orchestra are the Managing Director and Deputy Managing Director, who lead a senior management team. The heads of the five departments – Artistic Planning and Partnerships, Concerts Management, Business Development (incorporating marketing and development), Finance, and Community and Education, all report directly to the Managing Director, who in turn reports to the Board of Trustees. This team comprises experienced staff with a range of skillsets who continue to develop their ability to fulfil the Orchestra's objectives in all aspects of its work, whether delivering outstanding performances or enabling the education and community work of RPO Resound.

Related Parties

The Royal Philharmonic Orchestra Trust is an independently controlled but connected charity registered with the Charity Commissioners for England and Wales (registration no. 232270). It was established on 9th November 1963 with the objective of the advancement of the musical education of mankind and in particular promoting, encouraging and supporting the practice and performance of orchestral music by the Royal Philharmonic Orchestra. The Royal Philharmonic Orchestra Trust has provided considerable support to the Orchestra over the years.

The principal asset of the Royal Philharmonic Orchestra Trust is a freehold property which is occupied by the administrative offices of the Orchestra for an annual rent of £108,000. At 5th April 2024, net assets in the unaudited accounts of the Royal Philharmonic Orchestra Trust were £954,663 (2023 - £838,376), which included cash and fixed term deposits of £514,002 (2023 - £388,715).

Brent Music Academy is also an independently controlled but connected charity registered with the Charity Commissioners for England and Wales (registration no. 1204014). It was established on 18 July 2023 and its first financial year-end will be 31 August 2024. Brent Music Academy aims to advance the education of children and young adults, primarily in Brent and the surrounding areas, in music performance and production.

The American Friends of the Royal Philharmonic Orchestra ("American Friends") is a public charity registered in the United States District of Columbia, with a 501 (c) (3) charitable tax-exempt status. The purposes of the organisation are to educate the public regarding classical music and to promote the educational efforts of the Royal Philharmonic Orchestra and similar classical music organisations in the United States.

In the year to 31 March 2024, the American Friends provided donations of £353,248 to support the Orchestra's tour of the USA, including a community and education programme, a recording and performance of songs by Prince Albert and a performance of John Rutter's music conducted by the composer. In the previous year, the American Friends provided a donation of £110,735 to support concerts conducted by John Rutter, the Orchestra's concert at the Windsor Festival in September 2023 and production of a short film promoting the Orchestra's work.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2024 (continued)

At 31 December 2022, net assets in the unaudited accounts of the American Friends were \$1,327,826 (2022 \$1,213,559), represented by cash and investments of \$1,340,275 (2022 - \$1,240,468) and other net payables (2022– net payables).

Fundraising

The Royal Philharmonic Orchestra (RPO) is extremely grateful for the financial support that it receives from private benefactors, corporate sponsors and Trusts and Foundations. Together, these supporters help underpin the Orchestra's artistic objectives and outreach remit. The Development Department's strategy is based around securing Trust and Foundation grants as well as memberships and donations through a range of Corporate and Individual supporter groups.

On the first occasion of the RPO taking part in the Big Give Scheme in 2023, a £44,000 fund was raised for a programme of Relaxed concerts around the UK.

Corporate partners include ACS International Schools, Bartlett Foundation, Chestertons, Elephant Communications, Calderwood Wealth Management, Goodwin PLC, Harkness Roses, LG Signature, Lionside Ltd, Mann Partnership, MDR Mayfair, Northern Trust, Red Carnation Hotels, Riverstone Living, RØDE, Seven Hills, Strabens Hall, Ten Trinity Square, The Lansdowne Club and Vico Partners.

The RPO is committed to fundraising best practice, is registered with the Fundraising Regulator and complies with data protection regulations. The Orchestra's Development Department maintains a considerate, unobtrusive approach to fundraising and does not undertake cold-calling or employ third parties to raise funds. The RPO enjoys very positive and enthusiastic relationships with its supporters who in turn introduce potential new benefactors and sponsors to the Orchestra. No complaints have been received and fundraising activity is reviewed quarterly by the Audit Committee.

Inclusion, Diversity and Equal Opportunities

The RPO seeks to offer diverse RPO and RPCO concert programmes and varied RPO Resound projects across the UK, including in areas of economic and social deprivation.

The Board approves an Inclusion and Diversity Action Plan each year. The broad aims of the Action Plan are to improve workplace inclusion, expand the diversity of recruits to the staff and Orchestra and to contribute to a diverse talent pipeline. The RPO's Inclusion and Diversity Working Group, a cross-organisation body comprising musicians and staff has met three times in the year. The Working Group monitors progress on the Action Plan at each of its meetings and recommends improvements to inclusive practices within the RPO.

The Orchestra has made progress in 2024 towards its commitment to diversity in the workforce in the orchestral world, particularly through an active role in Recruiting Classical, a project with partner orchestras and Black Lives in Music to attract global majority musicians into the sector. Player recruitment processes have been reviewed during the year and the RPO has signed up to an orchestral best practice recruitment plan promoted by the Association of British Orchestras and Black Lives in Music. The Orchestra is also leading its concert programmes with female and global majority artists.

Report of the Trustees for the year ended 31 March 2024 (continued)

The gender balance on the Board at 31 March 2024 was 8 men and 3 women (prior year 8/4). The RPO senior leadership team at 31 March 2024 comprised 4 men and 2 women, whilst the overall gender balance across Members of the Orchestra was 42 men and 26 women (prior year 42/29) and across employees, was 14 men and 22 women (prior year 9/23).

Acknowledgements

The Trustees wish to pay tribute to Tim Watts, Sub-Principal oboe of the Orchestra for 23 years and a member of the Board, who died on 8 June 2024. Tim's exceptional commitment and the wisdom and experience that he brought to the life of the Orchestra and the Board, are sorely missed.

The Trustees would like to express their appreciation and thanks to the people and organisations who support the Orchestra's wide-ranging programme of performances and outreach work. These include the Orchestra's President Mrs Foriel-Destezet, the John Lyons Foundation, Northern Trust, Cadogan Estates, Elephant Communications, the Garfield Weston Foundation, the Stavros Niarchos Foundation, the Dunhill Medical Trust, Corporate and Individual Chair Partners, Members of the RPO Club and supporters of the American Friends of the RPO.

The Trustees also thank Peter Lumley, who retired from the Board in October 2023 after many years' service and to James Williams for his eight years as Managing Director until June 2024.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office as the company's auditors. A resolution to reappoint the firm as auditors will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the income and expenditure of the group 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Report of the Trustees for the year ended 31 March 2024 (continued)

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Annual Report is approved by the Trustees of the charity. The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as Directors in company law of the Charity.

By order of the Trustees

A handwritten signature in black ink, appearing to read 'A Storey', with a large, stylized flourish at the end.

Andrew Storey
Chair
7 October 2024

Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited

We have audited the financial statements of the Royal Philharmonic Orchestra Limited for the year ended 31 March 2024 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company 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 charitable company'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 section of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

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 this fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Auditor's responsibility 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Royal Philharmonic Orchestra Limited
Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Use of our report

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



James Saunders (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date: 17/10/2025

Royal Philharmonic Orchestra Limited
Consolidated Statement of Financial Activities
For the year ended 31 March 2024

	Unrestricted Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Income					
Donations, grants and legacies					
Arts Council England Grants	963,808	-	-	963,808	963,808
Education and Community Grants	-	-	195,240	195,240	107,688
Sponsorship and donations	402,678	-	588,784	991,462	1,144,595
Charitable Activities					
Box office, orchestra hire and fees	8,514,095	-	-	8,514,095	7,562,525
Other income	173,286	-	-	173,286	244,743
Investment income	11,266	3,863	-	15,129	11,351
Total income	10,065,133	3,863	784,024	10,853,020	10,034,710
Expenditure on:					
Raising funds	415,607	-	-	415,607	378,726
Charitable activities	10,551,837	2,194	914,955	11,468,986	10,018,901
Total expenditure	10,967,444	2,194	914,955	11,884,593	10,397,627
Net unrealised gains / (losses) on investments	-	16,806	-	16,806	(11,727)
Net (expenditure) / income before taxation	(902,311)	18,475	(130,931)	(1,014,767)	(374,644)
Tax credit	1,095,179	-	-	1,095,179	1,183,809
Net movement in funds for the year	192,868	18,475	(130,931)	80,412	809,165
Total funds brought forward	3,692,430	395,535	449,761	4,537,726	3,728,561
Total funds carried forward	3,885,298	414,010	318,830	4,618,138	4,537,726

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account. There were no recognised gains and losses in the current or preceding financial year other than those dealt with in the Statement of Financial Activities. All income and expenditure relates to continuing activities.

The notes on pages 28 to 47 form part of these financial statements.

Royal Philharmonic Orchestra Limited
Consolidated and Charity Balance Sheets
at 31 March 2024

	Note	Consolidated		Charity	
		2024 £	2023 £	2024 £	2023 £
Fixed Assets					
Tangible assets	14	142,932	188,023	142,932	188,023
Investments	15	179,293	160,818	179,295	160,820
		322,225	348,841	322,227	348,843
Current Assets					
Debtors	16	1,899,698	1,802,770	1,897,676	2,395,256
Cash at bank and in hand		3,759,744	3,943,016	3,757,489	3,346,653
		5,659,442	5,745,786	5,655,165	5,741,909
Creditors : Amounts falling due within one year	17	(1,363,529)	(1,556,901)	(1,359,254)	(1,553,026)
Net Current Assets		4,295,913	4,188,885	4,295,911	4,188,883
Total Assets less Current Liabilities		4,618,138	4,537,726	4,618,138	4,537,726
Net Assets	19	4,618,138	4,537,726	4,618,138	4,537,726
Funds					
Called up share capital	20	71,000	71,000	71,000	71,000
Unrestricted funds		3,814,298	3,621,430	3,814,298	3,621,430
Designated funds	21	414,010	395,535	414,010	395,535
Restricted funds	22	318,830	449,761	318,830	449,761
Total Funds	23	4,618,138	4,537,726	4,618,138	4,537,726

The notes on pages 28 to 47 form part of these financial statements.

Approved by the board and authorised for issue on 7 October 2024



Andrew Storey

Chair

Royal Philharmonic Orchestra Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2024

	Note	2024 £	2023 £
Net Cash provided by operating activities	a	(180,326)	84,598
Cash flows (to) / from investing activities			
Bank interest		11,266	8,587
Purchase of fixed asset investments		-	-
Purchase of property, plant and equipment		(14,212)	(17,633)
Net cash (used in) investing activities		(2,946)	(9,046)
Change in cash and cash equivalents		(183,272)	75,552
Cash and cash equivalents:			
At the beginning of the year		3,943,016	3,867,464
At the end of the year		3,759,744	3,943,016

Cash and cash equivalents were all cash in hand or at bank at 31 March 2024 and 2023. The charity has no net debt and therefore no net debt note is presented.

a. Reconciliation of Net movement in funds to Net Cash provided by operating activities

	2024 £	2023 £
Net movement in funds	80,412	809,165
Depreciation charges	59,274	60,642
Investment income	(15,129)	(11,351)
Management fee charged against investments	2,194	3,000
Unrealised (gain) / loss on investments	(16,806)	11,727
Loss on disposal of fixed assets	29	569
Increase in debtors	(96,928)	(590,823)
Decrease in creditors	(193,372)	(198,331)
Net cash provided by operating activities	(180,326)	84,598

1. Accounting policies

a. Scope of the Financial Statements

The financial statements of the Royal Philharmonic Orchestra Limited (RPO Ltd), present the consolidated financial statements of the RPO Ltd and its subsidiary RPO Promotions Ltd comprising the Group Statement of Financial Activities (SOFA), the Group and Parent Charity Balance Sheet and the Group and Parent Charity Statement of Cash Flows.

b. Basis of Consolidation

The group financial statements consolidate on a line by line basis, the financial statements of the charitable company RPO Ltd and its subsidiary RPO Promotions Ltd, made up to 31 March 2024.

c. Accounting Convention

The financial statements have been prepared in accordance with the United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

RPO Ltd is a public benefit entity for the purposes of FRS 102 and a registered charity. Its financial statements are therefore also prepared in accordance with the "Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102" (Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and under the historical cost convention as modified by the revaluation of investments, being measured at fair value through income and expenditure within the Statement of Financial Activities. The principal accounting policies are set out below and have been applied consistently throughout the year.

The financial statements are prepared in sterling, the functional currency of the charitable company and its subsidiary. Monetary amounts are rounded to the nearest pound.

d. Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Forecasts for the years ended 31 March 2025 and 2026 indicate that reserves will cover unavoidable outgoings throughout both years. The major outgoings of the company are event-related, including fees paid to self-employed orchestral musicians, soloists and conductors. These are not incurred unless events take place and therefore the company is able to reduce a significant proportion of costs in line with income, albeit at the expense of programming.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

Therefore the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for a period not less than twelve months from the date of signing these financial statements. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

e. Significant accounting estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

- Entitlement to donations and sponsorship may arise prior to, or after, amounts being received as cash. Judgement is therefore required to determine that entitlement conditions have been met.

f. Statement of financial activities

As the company is a registered charity it has adapted the Companies Act formats to reflect the special nature of the charity's activities.

Income

Income comprises box office receipts, hire of the Orchestra in respect of concerts, recordings, engagements and tours; grants, including Arts Council grants; sponsorship fees and advertising, excluding VAT. The income and result for the year are wholly attributable to the principal activities of the charity and its subsidiary.

The income of the charity includes the recharge of costs to its subsidiary, RPO Promotions Limited, which is eliminated on consolidation. Therefore the income of the charity is higher than the income of the group as explained in note 5.

Donations and legacies

Grants, donations (including legacies) and sponsorship are accounted for on a receivable basis and are credited to the Statement of Financial Activities when the conditions for receipt are met. Where grants are received for performances in future accounting periods, these are treated as deferred income.

Government grants

Government grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the associated costs for which the grant is intended to compensate.

Government grants which are for wider purposes, such as the Arts Council England National Portfolio grant are recognised when received.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

Accounting policies (continued)

Expenditure

Performance related costs consist of performers' fees, venue and other costs, including marketing, which are specific to arranging performances. Support costs have been allocated to activity cost categories on a basis consistent with the use of resources. These include indirect costs that have been apportioned on the basis of time estimated to have been spent by management in governing the charity. Governance costs include those costs incurred in the governance of the charity and are primarily associated with compliance with constitutional and statutory requirements.

Leases

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

Pensions

The charitable company operates a defined contribution workplace pension scheme. Contributions have been made in respect of eligible employees, either to this workplace scheme, or to employees' personal pension arrangements, unless employees have opted not to participate in any scheme. Musicians' fees include pension allowances which may be paid to members who have eligible personal pension arrangements. Contributions are charged to the Statement of Financial Activities on an accruals basis.

g. Tangible Fixed Assets

Fixed assets of £2,500 or more are capitalised and the cost is written off on a straight line basis over the expected useful lives of the assets concerned. The expected useful lives of the depreciated assets are as follows:

Computer equipment	3 years
Motor Vehicles	7 years
Library	25 years
Concert Equipment	4 years
Office fittings and equipment	5 years
Warehouse fittings and equipment	10 years

h. Fixed Asset investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their bid value at the balance sheet date without deduction of the estimated future selling costs.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

All gains and losses are taken to the income and expenditure section of the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and original cost. Unrealised gains and losses are calculated as the difference between the market value at the

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

Accounting policies (continued)

end of the year and opening market value, or purchase date if later. Realised and unrealised gains are not separated in the Statement of Financial Activities.

i. Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

j. Designated funds

Designated funds are those which have been applied or reserved by the Trustees for a specific purpose and are set out in note 20.

k. Restricted funds

Restricted funds are those which are used in accordance with restrictions specified by donors or which have been raised by the Charity for particular purposes. The purposes for which restricted funds are held are analysed in note 21.

l. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

m. Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 16 and 17 for the debtor and creditor notes.

n. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

2. Comparative Consolidated Statement of Financial Activities for the year to 31 March 2023

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
Note	2023 £	2023 £	2023 £	2023 £
Income				
Donations, grants and legacies				
Arts Council England Grants	963,808	-	-	963,808
Grants for RPO Resound	-	-	107,688	107,688
Sponsorship and donations	358,852	-	785,743	1,144,595
Charitable Activities				
Box office, orchestra hire and fees	7,562,525	-	-	7,562,525
Other income	244,743	-	-	244,743
Investment income	8,587	2,764	-	11,351
Total income	9,138,515	2,764	893,431	10,034,710
Expenditure on:				
Raising funds	378,726	-	-	378,726
Charitable activities	9,338,628	3,000	677,273	10,018,901
Total expenditure	9,717,354	3,000	677,273	10,397,627
Net unrealised losses on investments	-	(11,727)	-	(11,727)
Net (expenditure) / income before taxation	(578,839)	(11,963)	216,158	(374,644)
Tax credit	1,183,809	-	-	1,183,809
Net movement in funds for the year	604,970	(11,963)	216,158	809,165
Total funds brought forward	3,087,460	407,498	233,603	3,728,561
Total funds carried forward	3,692,430	395,535	449,761	4,537,726

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

3. Summary Financial Performance of the Parent Charity

	Note	Total Funds 2024 £	Total Funds 2023 £
Income			
Donations, grants and legacies			
Arts Council England Grant		963,808	963,808
Grants for RPO Resound		195,240	107,688
Sponsorship and donations		991,462	1,144,595
Charitable Activities			
Box office, orchestra hire and fees		8,514,095	7,562,525
Other income		173,286	244,743
Intercompany income		6,251,075	4,932,671
Investment income		15,129	11,351
Total income	5	17,104,095	14,967,381
Expenditure on:			
Raising funds		414,538	377,758
Charitable activities		16,625,951	13,768,731
Total expenditure		17,040,489	14,146,489
Net unrealised gains / (losses) on investments		16,806	(11,727)
Net movement in funds in the year		80,412	809,165
Total funds brought forward		4,537,726	3,728,561
Total funds carried forward		4,618,138	4,537,726

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2024 (continued)

4. Statement of Subsidiary's activities

RPO Promotions Limited is a wholly owned subsidiary of the Royal Philharmonic Orchestra Limited which is commissioned to produce certain RPO concerts which are eligible for orchestra tax relief.

The trading results of RPO Promotions Limited and its assets, liabilities and funds at the year-end are summarised below.

	2024 £	2023 £
Turnover	5,164,003	3,756,411
Cost of Sales	(5,775,498)	(4,458,998)
Gross Loss	(611,495)	(702,587)
Administration Expenses	(483,684)	(481,222)
Operating Loss for the year	(1,095,179)	(1,183,809)
Taxation	1,095,179	1,183,809
Profit / (loss) for the year after Tax	-	-
Assets	1,091,344	1,780,172
(Liabilities)	(1,091,34)	(1,780,170)
Net Funds	2	2

5. Income Analysis

	By Source of Funds		By Location of Activity	
	2024 £	2023 £	2024 £	2023 £
United Kingdom	6,778,145	6,708,041	7,496,149	7,848,909
Europe	1,359,465	2,794,734	384,309	1,757,111
USA	1,956,054	222,715	1,557,711	-
Other	759,356	309,220	1,414,851	428,690
	10,853,020	10,034,710	10,853,020	10,034,710
Intercompany income	6,251,075	4,932,671	6,251,075	4,932,671
Total Charity income	17,104,095	14,967,381	17,104,095	14,967,381
Less: intercompany income	(6,251,075)	(4,932,671)	(6,251,075)	(4,932,671)
Total Consolidated income	10,853,020	10,034,710	10,853,020	10,034,710

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2024 (continued)

6. Expenditure Analysis

Note	2024	2023
	£	£
Cost of raising funds		
Musicians' fees and associated costs	1,425	2,412
Venue costs	39,419	32,866
Travel related and other costs	26,936	16,905
Advertising and marketing costs	918	1,038
Support costs	7 346,909	325,505
Total cost of raising funds	415,607	378,726
Cost of charitable activities		
Musicians' fees and associated costs	6,780,731	6,016,003
Venue costs	470,361	440,763
Travel related and other costs	1,822,671	1,422,695
Advertising and marketing costs	297,490	262,532
Support costs	7 2,097,733	1,865,908
Total cost of charitable activities	11,468,986	10,018,901

7. Support costs

Support costs have been allocated to activities based on estimates of staff time or use of resource.

	Cost of raising funds £	Charitable £	Governance £	Total 2024 £
Staff and staff related costs	237,118	1,375,891	114,284	1,727,293
General office costs	43,283	333,513	5,289	382,085
Legal, professional and marketing costs	23,557	171,287	-	194,844
Finance and depreciation charges	7,526	110,769	-	118,295
Audit	-	-	22,125	22,125
	311,484	1,991,460	141,698	2,444,642
Allocation of governance support costs	35,425	106,273	(141,698)	-
Total support costs	346,909	2,097,733	-	2,444,642

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

Support costs (continued)

	Cost of raising funds £	Charitable £	Governance £	Total 2023 £
Staff and staff related costs	215,830	1,264,487	114,664	1,594,981
General office costs	34,885	276,594	4,210	315,689
Legal, professional and marketing costs	34,952	155,372	-	190,324
Finance and depreciation charges	4,851	64,493	-	69,344
Audit	-	-	21,075	21,075
	290,518	1,760,946	139,949	2,191,413
Allocation of governance support costs	34,987	104,962	(139,949)	-
Total support costs	325,505	1,865,908	-	2,191,413

Staff and staff related costs includes salaries, national insurance, pension, training and recruitment.

8. Net income

Net income is stated after charging:

	2024 £	2023 £
Operating lease rentals	217,816	178,034
Auditor's remuneration for annual audit	22,125	21,075
Auditor's fees for taxation services	4,485	4,275
Depreciation of owned assets	59,274	60,642

9. Taxation

The Royal Philharmonic Orchestra Limited (RPO Ltd) is a registered charity and is thus exempt from tax on income and gains falling within part 11 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992, to the extent that these applied to its charitable objectives. No tax charges have arisen in the charity in either 2024 or 2023.

The subsidiary RPO Promotions Ltd has no taxable profits in 2024 or 2023. It was eligible to claim Orchestra Tax relief in 2024 of £1,095,179 (2023 - £1,183,809).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

10. Staff costs

	2024	2023
	£	£
Salaries	1,640,735	1,491,758
Social security costs	174,617	164,362
Pension costs	73,695	82,785
Other short term benefits	3,516	2,228
	<u>1,892,563</u>	<u>1,741,133</u>

The number of employees whose total employee benefits (excluding pension contributions but including benefits in kind) in excess of £60,000 were:

	2024	2023
	Number	Number
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1
£170,001 - £180,000	1	-
£190,001 - £200,000	-	1

The average number of people employed by the company during the year was as follows:

	2024	2023
	Number	Number
Concerts Management	13	13
Community and Education	4	4
Business Development	9	8
Management, Finance and Administration	7	5
Total	<u>33</u>	<u>30</u>

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2024 (continued)

11. Key management

Key management is defined as the Board of Trustees (including the Managing Director) and the Deputy Managing Director. Including social security costs, benefits in kind and pension contributions, remuneration of key management was £355,800 (2023 - £363,295), comprising remuneration of the Managing Director, Deputy Managing Director, Chair and Vice Chair.

12. Directors' emoluments

Total directors' emoluments including benefits in kind and pension contributions, were £202,637 (2023 – £212,437). The only members of the Board who receive payment for their managerial and administrative services to the company, are the Chair, Vice Chair and Managing Director. The emoluments of the highest paid director fell within the range £180,001- £190,000 (2023 £190,001 - £200,000). Expenses reimbursed to the highest paid director in each year totalled £23,178 (2023 - £18,911) in respect of travelling and subsistence and office costs.

13. Transactions involving directors and other related parties

Directors – Orchestral performance fees

The directors who are playing members of the Orchestra receive performance fees on the same scale as those paid to other playing members, as permitted under the company's Articles of Association. The performance fees paid during the period in which they were directors are as follows:

	2024 £	2023 £
Charlotte Ansbergs	-	21,000
Joshua Cirtina	26,131	
Benjamin Cunningham	-	22,082
Shana Douglas	23,773	47,211
Patrick Flanagan	48,673	32,073
Matthew Knight	13,733	34,699
Sali-Wyn Ryan	51,762	42,934
Andrew Storey	57,880	24,003
Elisabeth Varlow	46,977	41,523
Timothy Watts	17,082	-
Adam Wright	44,705	18,079
	330,716	283,604

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

Transactions involving Directors and other related parties (continued)

Directors – Other transactions

Directors made donations totalling £20,100 in the year (2023 - £15,275).

Loans to members of the Orchestra

The Board may approve loans to members of the Orchestra to further the purposes of the charity, generally for the purchase or repair of musical instruments. Interest is usually charged at 4% of the outstanding loan balance and repayments are made monthly.

Loans during each year were:

Player	Loan Purpose	Original Loan £	Balance at		
			31 Mar 2022 £	31 Mar 2023 £	31 Mar 2024 £
B Cunningham	Purchase of double bass	20,000	-	-	18,194
E McDonough	Purchase of flute	16,000	-	12,874	9,347
K Morgan	Purchase of tuba (repaid in year)	10,000	-	-	-
P Flanagan	Purchase of Cor Anglais	8,600	-	-	6,516
K Ayling	Purchase of clarinets	5,000	4,472	3,145	1,465
T Milne	Purchase of viola	5,000	380	-	-
K Saunders	Purchase of horn	7,900	1,080	-	-
Total receivable			5,932	16,019	35,522

Royal Philharmonic Orchestra Trust

The Royal Philharmonic Orchestra Trust, an independently controlled, but connected charity, held a minority shareholding in RPO Ltd at the end of the financial year of 800 shares (2023: 600 shares). In addition, amounts receivable from the Trust at 31 March 2024 were £3,424 (2023 - £2,342).

Brent Music Academy

Brent Music Academy is an independently controlled but connected charity to which RPO granted, in October 2023, £5,000 of the fund raised for Brent Music Academy programmes.

American Friends of the Royal Philharmonic Orchestra

The American Friends of the Royal Philharmonic Orchestra (American Friends) is a charity registered in the United States of America, with charitable purposes similar to those of RPO Ltd. There was £1,650 receivable from the American Friends at 31 March 2024 (2023 - £11,303).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

Transactions involving Directors and other related parties (continued)

Transactions between parent charity and subsidiary

The Royal Philharmonic Orchestra Limited commissioned its subsidiary RPO Promotions Limited to produce certain RPO concerts, for which a fee of £5,164,003 (2023 - £3,756,411) is payable by the Royal Philharmonic Orchestra Limited to its subsidiary and in respect of which production costs of £6,251,075 (2023 - £4,932,671) are receivable from the subsidiary.

The balance owed by RPO Promotions Limited to the parent charity at 31 March 2024 is £1,087,067 (2023 - £1,776,295), as set out in note 16.

14. Tangible Fixed assets

Consolidated and Charity

	Computer Equipment £	Motor Vehicles £	Library £	Concert Equipment £	Office and Warehouse Fittings and equipment £	Total £
Cost						
At 1 April 2023	65,171	310,690	46,889	141,412	42,918	607,080
Additions	3,908	-	-	5,454	4,850	14,212
Disposals	(6,011)	-	-	-	(525)	(6,536)
At 31 March 2024	63,068	310,690	46,889	146,866	47,243	614,756
Depreciation						
At 1 April 2023	50,002	192,332	156	138,180	38,387	419,057
Charge in the year	8,365	44,384	1,876	2,874	1,775	59,274
Disposals	(5,982)	-	-	-	(525)	(6,507)
At 31 March 2024	52,385	236,716	2,032	141,054	39,637	471,824
Net Book Value						
At 31 March 2024	10,683	73,974	44,857	5,812	7,606	142,932
At 31 March 2023	15,169	118,358	46,733	3,232	4,531	188,023

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

15. Fixed asset investments

15.1 Fixed asset investments – Consolidated and Charity

	Consolidated		Charity	
	2024	2023	2024	2023
	£	£	£	£
Investment Fund at market value	179,293	160,818	179,293	160,818
Shares in group company at cost	-	-	2	2
Total Fixed Asset Investments	179,293	160,818	179,295	160,820

The Investment fund comprises publicly tradeable shares and investment funds, held for long-term growth.

The charitable company has a wholly owned subsidiary, RPO Promotions Limited, registered in England and Wales. The aggregate capital and reserves of RPO Promotions Limited amounted to £2 at 31 March 2024 and 2023. The activities of RPO Promotions Limited are explained in note 4.

15.2 Movement in Fixed Asset Investments

	2024	2023
	£	£
Market value at 1 April	160,818	172,781
Less:		
Disposal proceeds	(93,460)	(63,727)
Net Cash (withdrawn)	(6,258)	(462)
Add:		
Acquisitions at cost	93,460	63,727
Net cash reinvested	-	-
Net loss on revaluation	24,733	(11,501)
Market value at 31 March	179,293	160,818
Historic cost at 31 March	174,757	181,329

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

15.3 Fixed Asset Investment portfolio by geography

	<u>2024</u>	<u>2023</u>
	£	£
Investment assets in the UK	75,485	74,569
Investment assets outside the UK	<u>103,808</u>	<u>86,249</u>
Total Market value at 31 March	<u>179,293</u>	<u>160,818</u>

15.4 Fixed Asset Investment portfolio by asset class

	<u>2024</u>	<u>2023</u>
	£	£
Fixed interest bonds	8,952	8,493
UK Equities	49,370	49,554
Overseas Equities	103,808	86,249
Property and alternative assets	11,505	13,571
Cash	<u>5,658</u>	<u>2,951</u>
Total Market value at 31 March	<u>179,293</u>	<u>160,818</u>

16. Debtors

	<u>Consolidated</u>		<u>Charity</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	£	£	£	£
Trade debtors	459,953	310,371	459,953	310,371
Current tax recoverable	1,089,089	1,183,809	-	-
Amounts owed by group undertakings	-	-	1,087,067	1,776,295
Other debtors	83,057	31,025	83,057	31,025
Prepayments and accrued income	<u>267,599</u>	<u>277,565</u>	<u>267,599</u>	<u>277,565</u>
Total Debtors	<u>1,899,698</u>	<u>1,802,770</u>	<u>1,897,676</u>	<u>2,395,256</u>

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

17. Creditors: Amounts falling due within one year

	Consolidated		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	83,867	127,791	83,867	127,791
Musicians' fees	509,183	344,746	509,183	344,746
Social security and other taxes	263,899	236,387	263,899	236,387
Other creditors	39,342	28,558	39,342	28,558
Accruals	127,754	153,336	123,479	149,461
Billings in advance	339,484	666,083	339,484	666,083
	<u>1,363,529</u>	<u>1,556,901</u>	<u>1,359,254</u>	<u>1,553,026</u>

Other creditors includes £3,795 (2023 - £3,305) representing cash held on behalf of the Trustees of the Royal Philharmonic Orchestra Sickness and Benevolent Fund.

Billings in advance represent fees and ticket sales received in advance of the event to which they relate:

	2024	2023
	£	£
At 1 April 2023 / 2022	666,083	878,073
Additions	252,684	311,258
Released	<u>(579,283)</u>	<u>(523,248)</u>
At 31 March 2024 / 2023	<u>339,484</u>	<u>666,083</u>

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

18. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
As at 31 March 2024				
Fixed assets	142,932	179,293	-	322,225
Current assets	5,074,515	234,717	350,210	5,659,442
Current liabilities	(1,332,149)	-	(31,380)	(1,363,529)
	3,885,298	414,010	318,830	4,618,138
As at 31 March 2023				
Fixed assets	188,023	160,818	-	348,841
Current assets	5,010,346	234,717	500,723	5,745,786
Current liabilities	(1,505,939)	-	(50,962)	(1,556,901)
	3,692,430	395,535	449,761	4,537,726

19. Called up share capital

	2024 £	Authorised 2023 £	Allotted and Fully Paid 2024 £	2023 £
Ordinary shares of £10 each	100,000	100,000	71,000	71,000

The company's Memorandum of Association prohibits the payment of dividends, return of capital or distribution of surplus funds to the shareholders in the event of the winding up of the company. All ordinary shares carry full voting rights.

20. Designated funds

	2024 £	2023 £
Residency development fund	220,000	220,000
Dilapidations fund	14,717	14,717
Investment fund	179,293	160,818
	414,010	395,535

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

Designated funds (continued)

The residency development fund is to invest in artistic programming and organisational systems and resources to develop residencies, including the move of the administrative office to Wembley Park. The dilapidations provision relates to the current administrative office of the RPO. The investment fund is the shares and units in investment funds held for long-term growth.

21. Restricted funds

	Community and Education projects £	Orchestral performances £	Core costs £	Total Funds £
Year to 31 March 2024				
Balance at 1 April 2023	169,492	280,269	-	449,761
Received during the year:				
Trusts, foundations and local authorities	86,652	318,072	5,445	410,169
Donations/sponsorship	108,588	265,267	-	373,855
Expenditure during the year	(220,097)	(694,858)	-	(914,955)
Balance at 31 March 2024	144,635	168,750	5,445	318,830
Year to 31 March 2023				
Balance at 1 April 2022	233,603	-	-	233,603
Received during the year:				
Trusts, foundations and local authorities	48,177	78,135	-	126,312
Donations/sponsorship	59,511	707,608	-	767,119
Expenditure during the year	(171,799)	(505,474)	-	(677,273)
Balance at 31 March 2023	169,492	280,269	-	449,761

Community and Education projects cover a range of participatory activities in the community, public spaces and health settings and with under-represented and hard to reach groups, schools, families and patients.

Orchestral performances are concerts supported by restricted donations.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

22. Reconciliation of movement in funds

	Total Unrestricted Funds				Total Funds £
	Called-up Share Capital £	Other Unrestricted Funds £	Designated Funds £	Restricted Funds £	
Year to 31 March 2024					
Balance at 1 April 2023	71,000	3,621,430	395,535	449,761	4,537,726
Income	-	10,065,133	3,863	784,024	10,853,020
Expenditure	-	(10,967,444)	(2,194)	(914,955)	(11,884,593)
Net unrealised gains on investments	-	-	16,806	-	16,806
Tax credit	-	1,095,179	-	-	1,095,179
Balance at 31 March 2024	71,000	3,814,298	414,010	318,830	4,618,138
Year to 31 March 2023					
Balance at 1 April 2022	71,000	3,016,460	407,498	233,603	3,728,561
Income	-	9,138,515	2,764	893,431	10,034,710
Expenditure	-	(9,717,354)	(3,000)	(677,273)	(10,397,627)
Net unrealised (losses) on investments	-	-	(11,727)	-	(11,727)
Tax credit	-	1,183,809	-	-	1,183,809
Balance at 31 March 2023	71,000	3,621,430	395,535	449,761	4,537,726

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2024 (continued)

23. Operating lease commitments

The company has annual operating lease commitments as follows:

	Land and Buildings 2024 £	Land and Buildings 2023 £
Commitments arising in:		
Less than one year	190,816	217,816
Two to five years	229,260	420,076
	420,076	637,892

The leases relate to the company's premises in London, UK: a warehouse in Greenford and offices in Clerkenwell.

The lease for the warehouse in Greenford was renewed in July 2022 for a period of five years.

The company has leased its premises in Clerkenwell since August 1986. The current lease is expected to end in March 2025. The company is negotiating a rolling monthly extension until summer 2025 after which the administrative office is expected to be moved to Wembley Park.

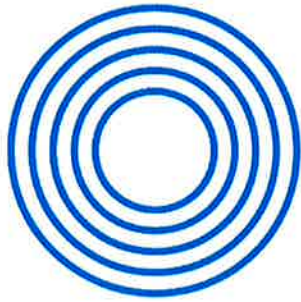
24. Capital Commitments

The company had no capital commitments at 31 March 2024 or 31 March 2023.

ROYAL PHILHARMONIC ORCHESTRA LIMITED

England & Wales - Charity number 244533

Accounts



ROYAL PHILHARMONIC ORCHESTRA

ROYAL PHILHARMONIC ORCHESTRA LIMITED

Company Number 00763836

Registered Charity Number 244533

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

Royal Philharmonic Orchestra Limited
Consolidated Report and Financial Statements

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Company Information

Patron

HRH The former Prince of Wales

Music Director

Vasily Petrenko

President

Aline Foriel-Destezet

Directors

Matthew Knight (Chair)

Adam Wright (Vice Chair)

James Williams (Managing Director)

Lord Paul Boateng

Elizabeth Case (nee Kistruck)

Shana Douglas

Patrick Flanagan

Phillip Keller

Peter Lumley

Sali-Wyn Ryan

Andrew Storey

Elisabeth Varlow

Company Secretary

Ann Firth

Independent Auditor

Moore Kingston Smith LLP

6th Floor

9 Appold Street

London EC2A 2AP

Bankers

Bank of Scotland

Pentland House

8 Lochside Avenue

Edinburgh EH12 9DJ

National Westminster Bank

Regent Street Branch

250 Regent Street

London W1B 3BN

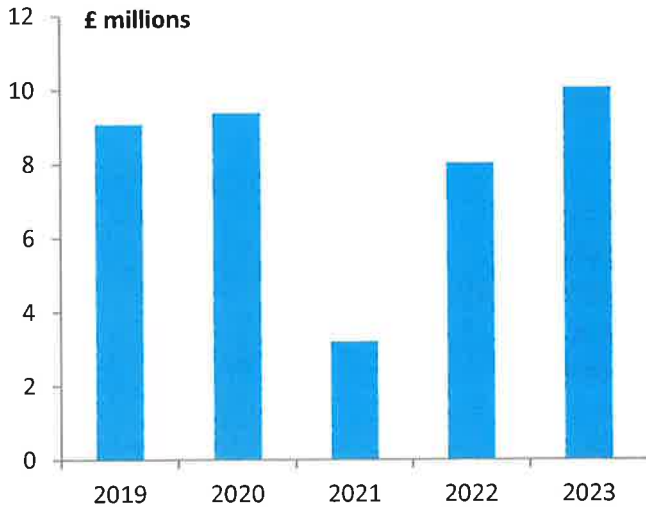
Registered Office

16 Clerkenwell Green

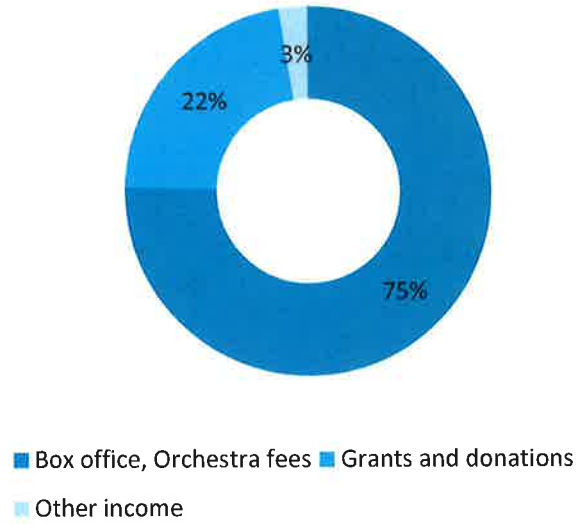
London EC1R 0QT

Financial Headlines Charts

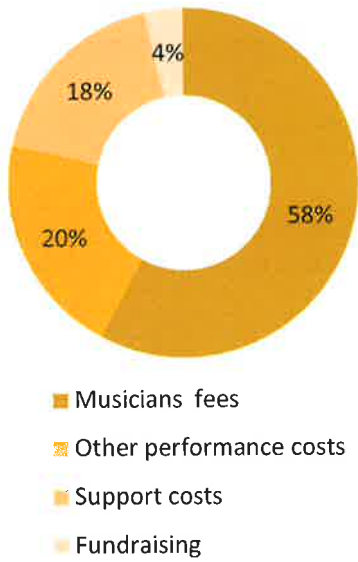
Five year income trend



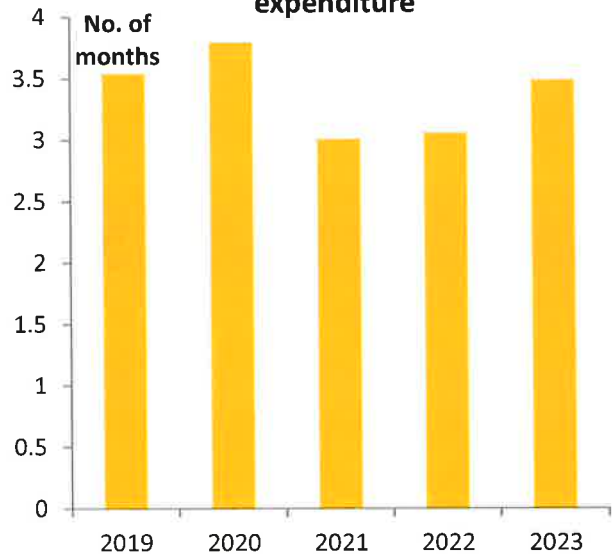
2023 Income



2023 Costs



Free Reserves - number of months' expenditure



179 Royal Philharmonic Orchestra and Royal Philharmonic Concert Orchestra concerts

650,000 estimated live audience

114 recording sessions

12 countries visited on tour

444 community and education workshops and **61** performances

12,226 engagements with workshops

992 musicians engaged

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2023

The Trustees, who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of the Companies Act 2006, present their annual report and the consolidated financial statements of the group for the year ended 31 March 2023. These comply with the Companies Act 2006 and the Charities Act 2011. The Trustees have also adopted the provisions of 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, issued in July 2014 and updated in February 2016 and October 2018. The Trustees, in preparing the strategic report, have complied with section 414C of the Companies Act 2006.

References to '2023' and '2022' in this report mean the years ended 31 March 2023 and 31 March 2022, respectively.

STRATEGIC REPORT

Objects

The Royal Philharmonic Orchestra Limited is established to promote, maintain and advance education, particularly musical education and to encourage the arts. The Orchestra continues to be totally committed to its twin objectives of making music of the highest quality and reaching the widest possible audience. The Orchestra plays an important role in enriching people's lives whilst striving to further its charitable purposes for the benefit of the public, both in the concert hall and in the community.

Public Benefit

The Royal Philharmonic Orchestra (RPO) and Royal Philharmonic Concert Orchestra (RPCO) demonstrate their reach across the public at large through the diversity of orchestral music performed and the numerous locations in which they appear. In addition, a majority of Royal Philharmonic Orchestra concerts in the United Kingdom (including London), involve direct engagement with the public or have a learning or enrichment activity attached to them, such as an open rehearsal or a music making workshop. The Orchestra's programme also features work with groups that may not easily be able to access musical experiences such as the visually impaired, children with special educational needs, prisoners and refugees.

The Orchestra works with schools and universities in the United Kingdom to deliver part of their musical education offer. It has also formed partnerships with orchestras and institutions outside the United Kingdom to share community and education outreach expertise, enabling those orchestras in the future to be promoters of musical education and the arts, for the benefit of the public in their localities. Musical teaching professional development is provided each year, for members of the Orchestra, teachers in the education sector and workshop leaders.

The Orchestra also works in the health sector, in stroke rehabilitation and mental health services, harnessing the power of music to support improvements in health and wellbeing.

Operating at the highest professional artistic levels, the Orchestra is able to develop the musical talents of orchestral musicians, soloists and conductors and regularly features a diverse range of young and emerging artists in its programmes.

Report of the Trustees for the year ended 31 March 2023 (continued)

Highlights of the year reported on elsewhere in this report demonstrate the public benefit of activities. The Trustees can therefore confirm that the Royal Philharmonic Orchestra Limited has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission of England and Wales.

Vision, Mission and Values

The vision, mission and values of the RPO have been drawn from strategic planning and dialogue involving the perspectives of the Orchestra membership, staff, audiences and partners:

Vision

The Royal Philharmonic Orchestra aspires to:

- be an orchestra for the modern world, unafraid to push boundaries
- place orchestral music at the heart of contemporary society, deepening engagement with communities and creative partners
- be a respected cultural ambassador locally, nationally and internationally

Mission

The Royal Philharmonic Orchestra's mission is to enrich lives through orchestral experiences that are uncompromising in their excellence and inclusive in their appeal.

Values

- Excellence – we strive to achieve ambitious goals across our organisation
- Collaboration – in partnership, we achieve more together
- Inclusivity – great orchestral experiences must be accessible to all
- Resilience – our versatility is key to our success
- Responsibility – the talents of our musicians must be used for the benefit of everyone
- Passion – the driving force within the RPO

Activities and performance

Royal Philharmonic Orchestra (RPO)

2023 saw the Orchestra undertake tours, UK performances and filming that had been re-scheduled from previous seasons and the return of long-standing engagements that had not taken place for two years due to the Covid-19 pandemic. 127 concerts in 2023 included 31 overseas and 21 in 16 UK towns and cities outside London, compared to 2020, pre-pandemic, when 157 concert performances were given, of which 25 were overseas and 53 in 30 UK locations outside London.

To an extent, the reduced number of performances reflects some larger scale productions, including Mahler's three choral symphonies and an investment in more rehearsal time, particularly with the Orchestra's Music Director, Vasily Petrenko. However, the reduction in regional residencies and partnerships demonstrates the post-pandemic landscape and the work required to rebuild confidence.

Report of the Trustees for the year ended 31 March 2023 (continued)

Buckingham Palace announced the death of Her Majesty Queen Elizabeth II on 8 September 2022. The country at large mourned the passing of one of the most remarkable figures in British history and it was appropriate that a number of events were cancelled at this time.

Projects returning in 2023 included Handel's *Messiah* on Good Friday, Raymond Gubbay Limited's *Carmina Burana* at the Royal Festival Hall, summer festivals at Leeds Castle and King's Lynn, and Christmas seasonal concerts including John Rutter's *Christmas Celebration* at the Royal Albert Hall.

Several projects in the year had been re-scheduled from previous seasons, particularly in the first quarter, including Britten's *War Requiem* at the Royal Albert Hall and Mahler's *Symphony No 6* at the Royal Festival Hall. Mahler's *Symphony No 8* was also finally realised in October 2022. Fulfilling these ambitious artistic plans was extremely rewarding for the Orchestra and audiences. The Orchestra's popular Film Music Gala format also returned to an enthusiastic reception in April 2022 and toured later in the year to Hull and Northampton.

Launched in September 2021, the *Great British Music* concert series was brought to a close in May 2022. The series celebrated the themes of freedom, hope and adventure with music by composers who have defined the landscape of British music. In early April, the Orchestra performed Elgar's *The Dream of Gerontius* at the Royal Albert Hall followed by Vaughan Williams' *A London Symphony* at the end of that month. May performance highlights included Britten's *War Requiem* and Elgar's *Sea Pictures*.

The violinist Fumiaki Miura completed his year as Artist in Residence at Cadogan Hall, with a performance of Brahms *Violin Concerto* in April. The Cadogan Hall programme in April and May, also featured the Hastings International Piano Concerto Competition winner Fumiya Koido and conductors Andrew Gourlay, Kerem Hasan and Chloe van Soeterstède.

In June, the Orchestra presented its biennial Cadogan Hall Festival, with a short programme of Beethoven concerts originally scheduled for summer 2020, featuring the South Korean pianist Jae-Hyuck Cho. The presenter John Suchet contextualised the music including a rare performance of Louise Farrenc's *Nonet in E flat major*. Across the Festival week, the Orchestra was conducted by Hans Graf and Christoph Alstaedt and joined by artists, Pavel Kolesnikov, Olivia Boen and Sara Kestelman.

The Orchestra's BBC Proms concerts in August 2022, included the Proms debut programme of video game music. Later in the festival, the Orchestra returned with Prokofiev's *Symphony No 5* and Walker's *Trombone concerto* with the trombonist Peter Moore and Vasily Petrenko.

Autumn 2022 saw the launch of the *Journeys of Discovery* season of concerts with Vasily Petrenko at the Royal Albert Hall and Royal Festival Hall, exploring facets of the human character through music. Repertoire in the period to March 2023 included Mahler *Symphonies No 8 and No 2* and his arrangement of Beethoven's *Symphony No 9* as well as pieces by Scriabin, Grieg, Prokofiev, Wagner and Strauss. The *Journeys of Discovery* series of concerts will conclude in summer 2023.

Pianist Isata Kanneh-Mason's year as Artist in Residence at Cadogan Hall began in September 2022 with a performance of Clara Schumann's *Piano Concerto in A Minor*. Conductors for the September to March programme at Cadogan Hall included Roderick Cox, Gemma New, Alexander Shelley, Chloe van Soeterstède, Jac Van Steen, Shiyoon Sung and Anu Tali. A new programme format featuring a narration of Shakespeare's *A Midsummer Night's Dream* with Mendelssohn's incidental music was a particular success with first-time audience members and regular attendees alike.

Report of the Trustees for the year ended 31 March 2023 (continued)

The Orchestra's overseas touring with Vasily Petrenko in the year, began with a ten-concert tour in May to Germany's major cities, with international soloists Anne-Sophie Mutter and Khatia Buniatishvili. A return to the Gstaad Festival in August was followed by September dates in Warsaw, Ljubljana, Prague and Linz and an October European tour to Slovakia, the Czech Republic, Poland, Lithuania and Greece. January 2023 saw the Orchestra return to Germany for an eight-concert tour and perform in Antwerp.

There was a more regular flow of recordings in 2023 than in the previous year, when 22 projects were undertaken. Over the year to March 2023, the RPO undertook 37 recording projects across 113 sessions compared to 40 projects and 140 sessions in 2020, prior to the pandemic.

Recording projects in 2023 included filmed performances of Stravinsky's *The Rite of Spring*, *Petrushka* and *The Firebird* and Breiner's *Carol of the Bells*, which were subsequently broadcast online. Classical recordings included Sibelius and Bruch violin concertos with Arbertus Irnberger, Vaughan Williams with Mark Bebbington, Mozart piano concertos with Elizabeth Sombart, Walton and Korngold violin concertos with Liya Petrova and the music of Borenstein with Clelia Iruzun as soloist and the composer conducting,

In April 2022 the Orchestra recorded John Barrowman's *Centre Stage* album which was released in November. Contemporary music projects also included recording, with Joe Hisaishi, his music for the films of Hayao Miyazaki for release on the Deutsche Gramophone label in June 2023 and a recording with the pianist Micah McLaurin.

Royal Philharmonic Concert Orchestra (RPCO)

The Concert Orchestra undertook 23 engagements in 2023 compared to 11 in the previous year, when, following the Covid-19 pandemic, performances recommenced part-way through the year, in August 2021. Engagements in the year included a ten-concert tour to the United Arab Emirates to perform as part of the National Day celebrations a nine-concert tour around the UK and Dublin with Andrea Bocelli and a three-concert UK tour of Mike Oldfield's *Tubular Bells*.

Concerts in the year at the Royal Albert Hall included the films *Lord of the Rings: Fellowship of the Ring*, *Harry Potter and the Half Blood Prince*, *Superman*, *Titanic* and *Brassed Off* and the *Distant Worlds* video game score; a total of 17 film and video game score performances. RPCO summer festival projects also re-commenced after a two-year hiatus.

RPO Resound (Community and Education programme)

Across the year, RPO Resound delivered 444 musical workshops and events compared to 394 the previous year. These involved 12,226 participants, higher than a typical year, mainly due to the Football Association UEFA Women's Euro 2022 Arts Programme, for which RPO Resound was selected as a Cultural Partner.

The RPO Resound Women's Euros project, reached 4,400 people in ten host cities and commenced in March 2022 with a national callout inviting fans to submit words, ideas and phrases to contribute to a new anthem celebrating the Women's Euro 2022. Inspired by three prompts set by writer Hazel Gould, fans' perspectives and lyrics were woven together into a new anthem, 'Beautiful Game', by composer Shirley Thompson OBE and recorded by the full

Report of the Trustees for the year ended 31 March 2023 (continued)

Royal Philharmonic Orchestra with community singers from each host city. Working with RPO musicians, host cities each created a unique local anthem, which was performed in their Fan Zone. These have since been published online. The project culminated in a large-scale outdoor performance on 30 July in Wembley Park, featuring RPO musicians, local musicians from Brent Black Music Co-Op (BBMC) and the Institute of Contemporary Music Performance (ICMP) as well as community choir members.

Over the year, three major programmes provided the core of RPO Resound's outreach work in Brent: Brent Mental Health funded by The Baring Foundation, Brent Ensemble Explosion funded by the John Lyons Foundation and the pilot programme of the Brent Music Academy, funded by SF Stefan. The Brent Mental Health project was delivered in secure unit and outpatient settings. The project also featured training diverse potential workshop leaders of the future and strengthening the RPO's local partnerships. The Brent Ensemble Explosion project continued with the Young Leaders Programme, which develops curator and production skills and over 2,000 students from Brent mainstream and special schools performing in ensembles. Six ensembles featured at the final performance at Wembley Arena in July 2022 and all 2,000 students together with 32 RPO musicians performed the Brent Borough of Culture anthem *Sparks Fly*.

Pilot programmes for the Brent Music Academy trialled the content and structure of Performance and Industry pathways for school-age participants who are interested in bridging the gap between Music Service ensembles and extending their skills through performing or producing a wide range of musical genres. The Brent Music Academy will now be run through an independent charity from 2023, with the RPO as one of the founding partners.

In February 2023, Isata Kanneh Mason, RPO's 2022-23 Season Cadogan Hall Artist-in-Residence, joined the RPO team for a project in Brent schools. This explored themes of self-identity, difference and striving to achieve artistic excellence. The children were highly engaged with Isata and the RPO team.

STROKESTRA®, the Orchestra's stroke rehabilitation programme, visited the Dr Phillips Centre for the Performing Arts in Orlando for a knowledge-sharing visit with the Centre's clinical partners. Delivery of the programme in the UK was hampered by the winter pressures on the NHS, which required our clinical partners to postpone the programme.

In Higher Education, RPO Resound worked with the University of Hull and Hull Music Service and the University of West Suffolk and Suffolk Music Service. The student programme in Hull included training for music students interested in music education or community facilitation, preparing them to support a two-day event Hull Music Service event for primary school children, creating and performing original pieces of music. University of Suffolk video games composition students composed and recorded a new video-game inspired piece which was performed by the Orchestra at the Royal Albert Hall in June 2023.

The Special Schools project in Wandsworth continued in the year and RPO Resound also ran workshops for Looked after Children in the borough.

The year rounded off with a relaxed concert in Brent and a *Noisy Kids* concert in Reading; both formats will be expanded to other residency venues in 2024.

Marketing, Press & PR

Ticket sales across the year were mixed, with some concerts achieving their highest ever income and close to full capacity, whilst others were below target. Audience members who had purchased tickets pre-pandemic and agreed

Report of the Trustees for the year ended 31 March 2023 (continued)

pandemic and agreed to roll forward their purchases to re-scheduled concerts contributed some of the higher capacity figures, for example for the Film Music Gala concert and the performance of Mahler's *Symphony No. 8*. A variety of factors may have contributed to other productions selling less well, including unfamiliar repertoire, less favourable dates for concerts rescheduled due to the pandemic and the London transport strikes.

With the RPO looking forward to moving its home to the London Borough of Brent, a new "free to join" Brent Membership scheme was introduced in February 2023. This offers Brent residents and workers access to two £5 concert tickets and two free tickets for under 18s for all own promotion concerts in London. The scheme attracted over 100 members by the end of the year. Earlier in the year ticket offers were made available to charities in Brent, dementia sufferers and their carers, youth orchestras and participants from RPO Resound's Women's Euros project.

Student Pulse, our collaboration with other London Orchestras, the Southbank Centre, Barbican Centre, St John's Smith Square, Cadogan Hall and the BBC, was relaunched in November 2022 on a new platform. The scheme offers reduced price tickets to students and is hugely valuable in helping to build future audiences. By the year end over 40% of students who registered on the platform had bought at least one ticket.

The Orchestra has continued to build its online and social media profile during the year. The RPO's TikTok channel was launched in October 2022, with a short video clip of the Mahler 8 performance. By the year-end, we had achieved over 55,000 views of videos and had 1,000 followers. Subscribers across other social medial channels also increased compared to 2022, particularly YouTube on which videos of full concerts and excerpts are streamed.

Impact and Relevance

The annual RPO Insights research report was published in February 2023. Titled *A Time to look forward: Trends of engagement with orchestral music* analysed research undertaken by the RPO during the 2022 calendar year. The report highlighted how orchestral music enhances people's lives and supports inclusion and diversity. All adult age groups show engagement with orchestral music of different styles, often when undertaking daily tasks. This association with everyday life demonstrates the contemporary cultural role orchestral music plays in society in terms of wellbeing, inclusion and enrichment. The research also revealed that most children either played or wanted the opportunity to learn a musical instrument.

The Orchestra's wide ranging repertoire allows the broadest possible audience to engage with the joy of orchestral music and live performance, whilst RPO Resound has built up an internationally recognised body of practice in Community and Education outreach. The Orchestra is committed to stimulating life-long learning and enjoyment of orchestral music.

Financial Review

The results for the year to 31 March 2023 and the preceding financial year are set out in the Consolidated Statement of Financial Activities on page 24.

Total group income in 2023 increased by £2,028,064 to £10,034,710, due to the prior year still being affected by the Covid-19 pandemic. 75% (2022 - 65%) of the income for the year is performance income (comprising box office receipts, orchestra fees and hire), 10% (2022 - 19%) Arts Council England funding, 12% (2022 - 14%) other grants, donations and sponsorship and 3% (2022 - 2%) investment and other income.

Report of the Trustees for the year ended 31 March 2023 (continued)

Arts Council England funding in the year is the Orchestra's National Portfolio Organisation grant, which is level with the previous year. 2022 Arts Council England income also included £597,058 Culture Recovery Funding.

Whilst other grants and sponsorship account for a smaller proportion of total income in the year to 31 March 2023 (because total income has risen), they have increased by £227,249 over 2022 to £1,252,283 (2022 - £1,025,034). 2022 income included the Orchestra's 75th Anniversary Appeal and donations for a long-term investment fund and represented a rise over 2021. In 2023, the rise in grants and sponsorship income included funding for concert projects which had been deferred due to the pandemic, but could be realised in 2023.

The £73,680 increase in investment and other income is primarily due to royalties and increases in foreign exchange gains and interest rates.

Expenditure in 2023 was £10,397,627, an increase of £2,083,511 over the £8,314,116 of 2022, reflecting the restoration of a full-year of orchestral scale performances and rescheduled performances which were deferred due to the Covid pandemic, including Mahler's Symphonies Nos 2 and 8. The 25% increase in expenditure over 2022 is in line with the increase in income.

Expenditure on the charitable activities of performance and outreach accounted for 96% of expenditure and £2,072,439 of the increase in the year, reflecting a full year of orchestral-scale programmes, compared to the phased return of programming over 2022.

Fundraising costs represent 4% of total costs and increased by 3% in 2023. Costs in both 2023 and 2022 include expenditure on a Gala dinner attended by supporters of the Orchestra, although the 2022 occasion celebrating the Orchestra's 75th Anniversary was a larger event and also involved more musicians. 2023 saw more frequent supporter engagement events than in the prior year, which particularly in the first quarter was affected by post-pandemic cautiousness.

58% of expenditure (2022 – 55%) was on fees to musicians, including Members of the Orchestra, extra orchestral musicians, soloists, conductors and choirs. As in 2022, other production costs accounted for 20% of total expenditure. Support and fundraising costs represent 22% of total expenditure, compared to 25% last year.

Unrealised losses of £11,727 (2022 - £9,010) arose on investments, due to revaluing at the 31 March market values. The long-term investment fund was established in 2022 with donations received in the form of shares and cash. Other movements in the fund during the year were dividend income and fund management fees.

Net expenditure before taxation for the year was a £374,644 deficit (2022 - £316,480 deficit). The surplus for the year after tax relief was £809,165 (2022 - £280,031 surplus after tax relief.)

Reserves

There has been a £216,158 net addition to restricted funds in 2023 (2022- £9,396 net reduction). This reflects donations for future concert and film projects, which will be delivered in future years. Within Restricted funds for Community and Education projects included within the net movement, reduced compared to the prior year due to delivery of outreach projects, including STROKESTRA and programmes in Brent.

Designated reserves of £395,535 (2022 - £407,498) comprise a £220,000 Residency Development fund, a Property dilapidations fund of £14,717 and the Investment fund of £160,818. Movements on the investment fund, including unrealised losses of £11,727, account for the change in designated reserves year on year.

Report of the Trustees for the year ended 31 March 2023 (continued)

The RPO's reserves policy is to hold minimum free reserves (defined as unrestricted reserves, excluding fixed assets and share capital) at a level equivalent to three months unrestricted expenditure. Free reserves are held to enable the RPO to meet commitments as they fall due, to protect against financial risks which may crystallise (largely factors arising from the exposure to variable income levels and cost commitments and income diverging) and to finance investments and improvements which go beyond normal annual spend.

At 31 March 2023, free reserves stood at £3,433,407 (2022 - £2,784,859), equating to 3.4 months (2022 – 3.1 months) budgeted unrestricted expenditure meeting the reserves policy. This includes Orchestra Tax Relief of £1,183,809 which will not be received until January 2024 and £65,065 unrealised gains on revaluation of currency balances. The rise in the amount of free reserves needed to meet the reserves policy reflects the rise in expenditure expected in the forthcoming financial year.

Future Plans

The RPO's future plans centre on developing artistic excellence and on promoting inclusion and the opportunity to experience enriching orchestral music.

The Orchestra was thrilled to retain its current level of annual funding as an Arts Council England National Portfolio Organisation. This confirmation secures a programme of artistic performances and community engagement for the next three years from April 2023.

Artistic excellence stems from the Orchestra's work with its Music Director, Vasily Petrenko, including high profile performances on the international stage. In 2024, the RPO will visit Abu Dhabi, Italy, Japan, Spain and the USA. In London, the *Journeys of Discovery* concert series will draw to a close and the season from September 2023 to June 2024 will take as its theme *'Icons Rediscovered'*. In this new season, the RPO and Vasily Petrenko will be looking afresh at iconic musical masterpieces, with a particular focus on the music of Sergei Rachmaninov and Edward Elgar. Zlatomir Fung will feature as Artist-in-Residence for the Orchestra's season of concerts at Cadogan Hall.

The Orchestra will develop the Brent Music Academy through a new charity and with founding partners Brent Music Service and ICMP.

In May 2023, the Coronation Service of Their Majesties King Charles III and Queen Camilla was watched by an estimated audience of 400 million worldwide. The RPO provided the operational support and music advice for the Coronation Orchestra (which comprised musicians from orchestras which have The former Prince of Wales as their patron) guest artists and choirs. The music programme included 12 commissions and featured international soloists including Sir Bryn Terfel and Pretty Yende.

In July 2023, the Orchestra's Managing Director, James Williams was appointed as the Director designate of the Royal College of Music and will take up this position in September 2024. The Board is leading the search for his successor.

Principal Risks and Uncertainties

The Trustees have established procedures for considering the significant risks to which the company is exposed and measures to mitigate the impact of those risks. These procedures include tasking the Audit Committee to review

Report of the Trustees for the year ended 31 March 2023 (continued)

the overall risk profile of the Orchestra, the mitigating controls currently in place and additional actions proposed for the next twelve months. A review of each major risk category is undertaken each quarter and high or rising risks are subject to further scrutiny and progress tracked. During 2023, the Board focused on regional residencies and rebuilding partnerships post-pandemic as well as gaps in the Orchestra's schedule of work.

The risks associated with a lean schedule of performances has been recognised for many years and the Orchestra's management has successfully mitigated this by diversifying the work of the Orchestra as well as its sources of income. This diverse portfolio of work remains a sound protection against declining income and consequently this remains a feature of the RPO's strategy, as is increasing donations and sponsorship for the Orchestra. However whilst own promotions and overseas tours could be rescheduled post-pandemic, engagements, particularly festivals and commercial work have not fully returned for summer 2023.

The war in Ukraine has impacted the public and philanthropic funding available to support some overseas tours as well as a variety of costs. Inflation has also increased costs across most areas with cargo costs for tours increasing significantly. At the same time, ticket prices and fee income are price sensitive, so cost inflation cannot be passed on in full.

Orchestra Tax Relief enables the Orchestra to create and tour new cultural events, benefitting communities and the UK economy. The anticipated reduction in scope of the Relief from 1 April 2024 and in the level of the relief from 1 April 2025 represent a risk to the level of creative output the Orchestra can achieve.

Going Concern

Forecasts for the years ended 31 March 2024 and 2025 indicate that reserves will cover unavoidable outgoings throughout both years. Therefore, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS' REPORT

Reference information

Reference information, administrative details and key advisors are set out on page 1 of this report and changes of directors during the year are set out below.

Background and Constitution

The Royal Philharmonic Orchestra Limited (also known as the RPO) is a charity registered with the Charity Commissioners for England and Wales (registration no. 244533) and is a company incorporated in England and Wales under the Companies Acts, as a company limited by shares (company no. 763836). Incorporated in 1963, the company is governed by its Memorandum of Association and Articles of Association. All full playing members of the Orchestra are required to hold 100 ordinary shares of £10 each.

Report of the Trustees for the year ended 31 March 2023 (continued)

The Royal Philharmonic Orchestra Limited has a wholly owned trading subsidiary, RPO Promotions Limited (company no. 04028129), previously named RPO Licensing Limited, which acts as a creative producer of orchestral concerts for the RPO.

Governance

The Directors of RPO Limited, who also act as the Board of Trustees, are responsible for the overall governance of the company. The Directors during the year to 31 March 2023 and up to the date of this report are:

Matthew Knight (Chair)
Adam Wright (Vice Chair) (appointed 21 October 2022)
James Williams (Managing Director)
Charlotte Ansbergs (resigned 21 October 2022)
Lord Paul Boateng
Elizabeth Case (nee Kistruck)
Benjamin Cunningham (resigned 21 October 2022)
Shana Douglas
Charles Fairweather (resigned 21 October 2022)
Patrick Flanagan
Phillip Keller
Peter Lumley
Andrew Storey (appointed 21 October 2022)
Elisabeth Varlow

The Company's Articles of Association set out that the Board will comprise a minimum of seven Directors and a maximum of thirteen, including the Managing Director. Other than the Managing Director, the maximum number of Directors comprises seven members of the Orchestra and five non-executives. There have been seven player Directors throughout the year and, until the resignation of Charles Fairweather in October 2022, five non-executive Directors.

Directors are appointed either by votes of members at the annual general meeting or, to fill a vacancy until the next annual general meeting, by a majority of directors. Non-executive Directors are recommended by the Nominations Committee and appointed on the basis of their skills and experience and in relation to the needs of the company. The term of office for non-executive Directors is five years with the potential to be reappointed for a further five year term. Player-member Directors are appointed for a three year term of office. Each year, eligible members of the Orchestra may be nominated for election to the Board to fill any vacancies, including any player Directors who have completed one or more three year terms.

The Board of Trustees meets four times a year to ensure robust governance and deal with all major issues that concern the well-being of the Orchestra. During the year the Board scrutinised and approved a Digital Marketing Strategy and a Fundraising Strategy to drive forward the income streams of the organisation. A priority during the year was oversight of the activity and investment plans in support of the Orchestra's successful application to Arts Council England for National Portfolio Organisation funding for three years from April 2023. The Board also

Report of the Trustees for the year ended 31 March 2023 (continued)

approved establishing an independent charity as the best vehicle to take forward the RPO Resound Brent Music Academy initiative. Two RPO Board Members will sit on the new charity Board.

The Board allocates time at each meeting to address progress on Inclusion and Diversity, receiving reports from the Inclusion and Diversity Working Group. Also during the year Safeguarding and Monitoring and Evaluation reports were received whilst overall progress against the Business Plan was monitored using a newly introduced Balanced Scorecard, comprising a range of financial and non-financial measures. Where this highlighted particular issues, such as the pressures on regional residencies and partnerships, the Board commissioned and scrutinized additional analyses.

The Audit Committee, a sub-group of the Board of Trustees, is chaired by a Non-Executive Director and meets prior to each Board meeting to monitor the Orchestra's financial internal controls, governance and risk management. External advisors are invited to attend the Audit Committee when additional expertise is required. The Committee met four times in the year, maintaining oversight of finances, future scenario planning and risks. The Committee reviewed and updated financial policies, including the Reserves policy. Investment policies were also approved covering long-term investments and short-term cash investments, the latter responding to improvements in available interest rates over the year.

Remuneration policy

The Audit Committee is responsible for making recommendations to the Board on the remuneration of the Managing Director and the remuneration framework for other staff. The Non-Executive Directors are responsible for approving the framework for musicians' fees and the service fees of the Chair and Vice Chair.

Induction and Training of Directors

Newly appointed Directors receive a Directors' Handbook and briefings from the Chair, Managing Director and Senior Management. Guidance on regulatory change and best practices are circulated or reported to Directors and briefings are provided in groups or one-to-one as required. Directors are encouraged to attend available training and sector updates.

Organisation and Management

The Royal Philharmonic Orchestra (RPO) is one of the world's leading symphony orchestras with a reputation for quality, versatility and diversity in the repertoire it performs, reaching live audiences of over 300,000 annually. The RPO performs regularly in London, at its London residency venue, Cadogan Hall, at the Royal Albert Hall, where it is Associate Orchestra, at the Royal Festival Hall and at its new home in the London Borough of Brent. The RPO performs around the UK, returning to residency venues and building new partnerships each year. Overseas tours are an integral part of the RPO's annual performance schedule.

RPO Ltd formed The Royal Philharmonic Concert Orchestra (RPCO) in 1987, which performs a broad programme of symphonic, light classical and popular music, working with internationally renowned classical and popular artists, in the UK and overseas. The RPCO plays to an estimated annual audience of over 200,000.

RPO Resound is the RPO's community and education programme, which operates across the UK, supporting the Orchestra's residency programme. Working in partnership with the music education sector and charity partners, this comprehensive programme reaches the young and the old, the disadvantaged and those restricted through ill-health or disability. The RPO Resound programme has also been shown to increase the number of first time attendees at the Orchestra's concert performances.

Report of the Trustees for the year ended 31 March 2023 (continued)

RPO Ltd's management services are provided from its office in Clerkenwell, London. Key management of the Orchestra are the Managing Director and Deputy Managing Director, who lead a senior management team. The heads of the four departments – Concerts Management, Business Development (incorporating marketing and development), Finance, and Community and Education, all report directly to the Managing Director, who in turn reports to the Board of Trustees. This team comprises experienced staff with a range of skillsets who continue to develop their ability to fulfil the Orchestra's objectives in all aspects of its work, whether delivering outstanding performances or enabling the education and community work of RPO Resound.

Related Parties

The Royal Philharmonic Orchestra Trust is an independently controlled but connected charity registered with the Charity Commissioners for England and Wales (registration no. 232270). It was established on 9th November 1963 with the objective of the advancement of the musical education of mankind and in particular promoting, encouraging and supporting the practice and performance of orchestral music by the Royal Philharmonic Orchestra. The Royal Philharmonic Orchestra Trust has provided considerable support to the Orchestra over the years.

The principal asset of the Royal Philharmonic Orchestra Trust is a freehold property which is occupied by the administrative offices of the Orchestra for an annual rent of £108,000. At 5th April 2023, net assets in the unaudited accounts of the Royal Philharmonic Orchestra Trust were £838,376 (2022 - £732,781), which included cash and fixed term deposits of £388,715 (2022 - £282,775).

The American Friends of the Royal Philharmonic Orchestra ("American Friends") is a public charity registered in the United States District of Columbia, with a 501 (c) (3) charitable tax exempt status. The purposes of the organisation are to educate the public regarding classical music and to promote the educational efforts of the Royal Philharmonic Orchestra and similar classical music organisations in the United States. The Directors of the American Friends in the year were David Albright, Les Bider, Barry Bloom (President), Rick Chapman, Huw Davies (Vice President and Secretary), Eileen Foley, James LoGatto, Harry Macklowe, James Mead (Treasurer) and Michele Park.

In the year to 31 March 2023, the American Friends provided a donation of £110,735 to support concerts conducted by John Rutter, the Orchestra's concert at the Windsor Festival in September 2023 and production of a short film promoting the Orchestra's work. In the previous year, the American Friends provided a donation of £183,371 to support the Orchestra's tour of the United States of America.

At 31 December 2022, net assets in the unaudited accounts of the American Friends were \$1,213,559 (2021 \$1,210,178), represented by cash of \$1,240,468 (2021 - \$1,232,678) and other net payables (2021– net payables).

Fundraising

The Royal Philharmonic Orchestra (RPO) is extremely grateful for the financial support that it receives from private benefactors, corporate sponsors and Trusts and Foundations. Together, these supporters help underpin the Orchestra's artistic objectives and outreach remit. The Development Department's strategy is based around securing Trust and Foundation grants, memberships and donations through the following supporter groups:

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2023 (continued)

- American Friends of the Royal Philharmonic Orchestra
- Music Director's Club
- Signature Corporate Partners
- Creative Benefactors
- Benefactors
- Chair Partners
- 1946 Club (Legacy Giving)
- RPO Club
- Young Professionals Club

Corporate partners include Bartlett Foundation, Boldfield, Chestertons, Elephant Communications, Calderwood Wealth Management, Harkness Roses, LG Signature, Lionside Ltd, Mann Partnership, Northern Trust, Red Carnation Hotels, Riverstone Living, RØDE, Seven Hills, SF Stefan Engineering and St James's Place.

The RPO is committed to fundraising best practice, is registered with the Fundraising Regulator and complies with data protection regulations. The Orchestra's Development Department maintains a considerate, unobtrusive approach to fundraising and does not undertake cold-calling or employ third parties to raise funds. The RPO enjoys very positive and enthusiastic relationships with its supporters who in turn introduce potential new benefactors and sponsors to the Orchestra. No complaints have been received and fundraising activity is reviewed quarterly by the Audit Committee.

Inclusion, Diversity and Equal Opportunities

The RPO seeks to offer diverse RPO and RPCO concert programmes and varied RPO Resound projects across the UK, including in areas of economic and social deprivation.

The Board approves an Inclusion and Diversity Action Plan each year. The broad aims of the Action Plan are to improve workplace inclusion, expand the diversity of recruits to the staff and Orchestra and to contribute to a diverse talent pipeline. The RPO's Inclusion and Diversity Working Group, a cross-organisation body comprising musicians and staff has met four times in the year. The Working Group monitors progress on the Action Plan at each of its meetings and recommends improvements to inclusive practices within the RPO.

In practical ways the Orchestra has made progress in 2023 towards its commitment to diversity in the workforce in the orchestral world, from establishing the Brent Music Academy, training workshop leaders of the future, recruiting global majority musicians with partner orchestras and Black Lives in Music and leading its concert programmes with female and global majority artists.

The gender balance on the Board at 31 March 2023 was 8 men and 4 women (prior year 8/5). The RPO senior leadership team at 31 March 2023 comprised 2 men and 3 women, whilst the overall gender balance across Members of the Orchestra was 42 men and 29 women (prior year 42/31) and across employees, was 9 men and 23 women (prior year 13/17).

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2023 (continued)

Acknowledgements

The Trustees would like to express their appreciation and thanks to the people and organisations who support the Orchestra's wide-ranging programme of performances and outreach work. These include the Orchestra's President Mrs Foriel-Destezet, the John Lyons Foundation, Northern Trust, Cadogan Estates, Elephant Communications, St James's Place, the Garfield Weston Foundation, the Stavros Niarchos Foundation, the Dunhill Medical Trust, Corporate and Individual Chair Partners, Members of the RPO Club and supporters of the American Friends of the RPO.

The Trustees also thank Charles Fairweather, who retired from the Board in October 2022 after many years' service and to the Orchestra's musicians and staff for their commitment.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office as the company's auditors. A resolution to reappoint the firm as auditors will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the income and expenditure of the group 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Report of the Trustees for the year ended 31 March 2023 (continued)

The Trustees' Annual Report is approved by the Trustees of the charity. The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as Directors in company law of the Charity.

By order of the Trustees

A handwritten signature in black ink that reads "Matthew Knight". The signature is written in a cursive style with a large, prominent 'M' and 'K'.

Matthew Knight

Chair

20 September 2023

Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited

We have audited the financial statements of the Royal Philharmonic Orchestra Limited for the year ended 31 March 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company 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 charitable company'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 section of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 and form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

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 this fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Auditor's responsibility 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date: *11 October 2023*

Royal Philharmonic Orchestra Limited
Consolidated Statement of Financial Activities
For the year ended 31 March 2023

Note	Unrestricted Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations, grants and legacies					
Arts Council England Grants	963,808	-	-	963,808	1,560,866
Education and Community Grants	-	-	107,688	107,688	160,164
Sponsorship and donations	358,852	-	785,743	1,144,595	864,870
Charitable Activities					
Box office, orchestra hire and fees	7,562,525	-	-	7,562,525	5,238,332
Other income	244,743	-	-	244,743	180,140
Investment income	8,587	2,764	-	11,351	2,274
Total income	9,138,515	2,764	893,431	10,034,710	8,006,646
Expenditure on:					
Raising funds	378,726	-	-	378,726	367,654
Charitable activities	9,338,628	3,000	677,273	10,018,901	7,946,462
Total expenditure	9,717,354	3,000	677,273	10,397,627	8,314,116
Net unrealised losses on investments	-	(11,727)	-	(11,727)	(9,010)
Net (expenditure) / income before taxation	(578,839)	(11,963)	216,158	(374,644)	(316,480)
Tax credit	1,183,809	-	-	1,183,809	596,511
Net movement in funds for the year	604,970	(11,963)	216,158	809,165	280,031
Total funds brought forward	3,087,460	407,498	233,603	3,728,561	3,448,530
Total funds carried forward	3,692,430	395,535	449,761	4,537,726	3,728,561

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account. There were no recognised gains and losses in the current or preceding financial year other than those dealt with in the Statement of Financial Activities. All income and expenditure relates to continuing activities.

The notes on pages 27 to 47 form part of these financial statements

Royal Philharmonic Orchestra Limited
Consolidated and Charity Balance Sheets
at 31 March 2023

	Note	Consolidated		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed Assets					
Tangible assets	14	188,023	231,601	188,023	231,601
Investments	15	160,818	172,781	160,820	172,783
		348,841	404,382	348,843	404,384
Current Assets					
Debtors	16	1,802,770	1,211,947	2,395,256	1,209,461
Cash at bank and in hand		3,943,016	3,867,464	3,346,653	3,866,423
		5,745,786	5,079,411	5,741,909	5,075,884
Creditors : Amounts falling due within one year	17	(1,556,901)	(1,755,232)	(1,553,026)	(1,751,707)
Net Current Assets		4,188,885	3,324,179	4,188,883	3,324,177
Total Assets less Current Liabilities		4,537,726	3,728,561	4,537,726	3,728,561
Net Assets	19	4,537,726	3,728,561	4,537,726	3,728,561
Funds					
Called up share capital	20	71,000	71,000	71,000	71,000
Unrestricted funds		3,621,430	3,016,460	3,621,430	3,016,460
Designated funds	21	395,535	407,498	395,535	407,498
Restricted funds	22	449,761	233,603	449,761	233,603
Total Funds	23	4,537,726	3,728,561	4,537,726	3,728,561

The notes on pages 27 to 47 form part of these financial statements.

Approved by the board and authorised for issue on 20 September 2023



Matthew Knight

Chair

Royal Philharmonic Orchestra Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2023

	Note	2023 £	2022 £
Net Cash provided by operating activities	a	84,598	(646,057)
Cash flows (to) / from investing activities			
Bank interest		8,587	435
Purchase of fixed asset investments		-	(75,000)
Purchase of property, plant and equipment		(17,633)	(15,640)
Net cash (used in) investing activities		(9,046)	(90,205)
Change in cash and cash equivalents		75,552	(736,726)
Cash and cash equivalents:			
At the beginning of the year		3,867,464	4,603,726
At the end of the year		3,943,016	3,867,464

Cash and cash equivalents were all cash in hand or at bank at 31 March 2023 and 2022. The charity has no net debt and therefore no net debt note is presented.

a. Reconciliation of Net movement in funds to Net Cash provided by operating activities

		2023 £	2022 £
Net movement in funds		809,165	280,031
Depreciation charges		60,642	60,004
Amortisation of intangible assets		-	553
Investment income		(11,351)	(2,274)
Donations of fixed asset investments		-	(105,302)
Management fee charged against investments		3,000	350
Unrealised loss on investments		11,727	9,010
Loss on disposal of fixed assets		569	1,155
Decrease in debtors		(590,823)	(995,166)
(Decrease) / Increase in creditors		(198,331)	166,765
(Decrease) in provisions for liabilities and charges	18	-	(61,183)
Net cash provided by operating activities		84,598	(646,057)

**Notes to the Financial Statements
For the year ended 31 March 2023**

1. Accounting policies

a. Scope of the Financial Statements

The financial statements of the Royal Philharmonic Orchestra Limited (RPO Ltd), present the consolidated financial statements of the RPO Ltd and its subsidiary RPO Promotions Ltd comprising the Group Statement of Financial Activities (SOFA), the Group and Parent Charity Balance Sheet and the Group and Parent Charity Statement of Cash Flows.

b. Basis of Consolidation

The group financial statements consolidate on a line by line basis, the financial statements of the charitable company RPO Ltd and its subsidiary RPO Promotions Ltd, made up to 31 March 2023.

c. Accounting Convention

The financial statements have been prepared in accordance with the United Kingdom Accounting Standards, in particular ‘FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (FRS 102).

RPO Ltd is a public benefit entity for the purposes of FRS 102 and a registered charity. Its financial statements are therefore also prepared in accordance with the “Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102” (Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and under the historical cost convention as modified by the revaluation of investments, being measured at fair value through income and expenditure within the Statement of Financial Activities. The principal accounting policies are set out below and have been applied consistently throughout the year.

The financial statements are prepared in sterling, the functional currency of the charitable company and its subsidiary. Monetary amounts are rounded to the nearest pound.

d. Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Forecasts for the years ended 31 March 2024 and 2025 indicate that reserves will cover unavoidable outgoings throughout both years. The major outgoings of the company are event-related, including fees paid to self-employed orchestral musicians, soloists and conductors. These are not incurred unless events take place and therefore the company is able to reduce a significant proportion of costs in line with income, albeit at the expense of programming.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Therefore the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for a period not less than twelve months from the date of signing these financial statements. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

e. Significant accounting estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

- Entitlement to donations and sponsorship may arise prior to, or after, amounts being received as cash. Judgement is therefore required to determine that entitlement conditions have been met.
- The music library is capitalised as a fixed asset and has not been depreciated because in the Trustees' judgement, it has retained its economic value at the end of each financial year.

f. Statement of financial activities

As the company is a registered charity it has adapted the Companies Act formats to reflect the special nature of the charity's activities.

Income

Income comprises box office receipts, hire of the Orchestra in respect of concerts, recordings, engagements and tours; grants, including Arts Council grants; sponsorship fees and advertising, excluding VAT. The income and result for the year are wholly attributable to the principal activities of the charity and its subsidiary.

The income of the charity includes the recharge of costs to its subsidiary, RPO Promotions Limited, which is eliminated on consolidation. Therefore the income of the charity is higher than the income of the group as explained in note 5.

Donations and legacies

Grants, donations (including legacies) and sponsorship are accounted for on a receivable basis and are credited to the Statement of Financial Activities when the conditions for receipt are met. Where grants are received for performances in future accounting periods, these are treated as deferred income.

Government grants

Government grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the associated costs for which the grant is intended to compensate.

Government grants which are for wider purposes, such as the Arts Council England National Portfolio grant are recognised when received.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Accounting policies (continued)

Expenditure

Performance related costs consist of performers' fees, venue and other costs, including marketing, which are specific to arranging performances. Support costs have been allocated to activity cost categories on a basis consistent with the use of resources. These include indirect costs that have been apportioned on the basis of time estimated to have been spent by management in governing the charity. Governance costs include those costs incurred in the governance of the charity and are primarily associated with compliance with constitutional and statutory requirements.

Leases

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

Pensions

The charitable company operates a defined contribution workplace pension scheme. Contributions have been made in respect of eligible employees, either to this workplace scheme, or to employees' personal pension arrangements, unless employees have opted not to participate in any scheme. Musicians' fees include pension allowances which may be paid to members who have eligible personal pension arrangements. Contributions are charged to the Statement of Financial Activities on an accruals basis.

g. Tangible Fixed Assets

Fixed assets of £2,500 or more are capitalised and the cost is written off on a straight line basis over the expected useful lives of the assets concerned. The expected useful lives of the depreciated assets are as follows:

Computer equipment	3 years
Motor Vehicles	7 years
Library	25 years
Concert Equipment	4 years
Office fittings and equipment	5 years
Warehouse fittings and equipment	10 years

At the previous year-end, the Library was considered to have retained its economic value and therefore it was not depreciated in that year. In March 2023, the remaining economic life of the Library was assessed as 25 years from 1 March 2023.

h. Intangible Fixed Assets

Intangible fixed assets are amortised on a straight line basis over their estimated useful economic lives as follows:

Software	3 years
----------	---------

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable, then the carrying values of intangible fixed assets are reviewed for impairment.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Accounting policies (continued)

i. Fixed Asset investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their bid value at the balance sheet date without deduction of the estimated future selling costs.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

Investments (continued)

All gains and losses are taken to the income and expenditure section of the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and original cost. Unrealised gains and losses are calculated as the difference between the market value at the end of the year and opening market value, or purchase date if later. Realised and unrealised gains are not separated in the Statement of Financial Activities.

j. Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

k. Designated funds

Designated funds are those which have been applied or reserved by the Trustees for a specific purpose and are set out in note 21.

l. Restricted funds

Restricted funds are those which are used in accordance with restrictions specified by donors or which have been raised by the Charity for particular purposes. The purposes for which restricted funds are held are analysed in note 22.

m. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Accounting policies (continued)

n. Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 16 and 17 for the debtor and creditor notes.

o. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

2. Comparative Consolidated Statement of Financial Activities for the year to 31 March 2022

	Unrestricted Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Income				
Donations, grants and legacies				
Arts Council England Grants	1,560,866	-	-	1,560,866
Grants for RPO Resound	-	-	160,164	160,164
Sponsorship and donations	555,212	155,302	154,356	864,870
Charitable Activities				
Box office, orchestra hire and fees	5,238,332	-	-	5,238,332
Other income	180,140	-	-	180,140
Investment income	435	1,839	-	2,274
Total income	7,534,985	157,141	314,520	8,006,646
Expenditure on:				
Raising funds	367,654	-	-	367,654
Charitable activities	7,552,196	70,350	323,916	7,946,462
Total expenditure	7,919,850	79,360	323,916	8,314,116
Net income before taxation	(384,865)	77,781	(9,396)	(316,480)
Tax credit	596,511	-	-	596,511
Net movement in funds for the year	211,646	77,781	(9,396)	280,031
Total funds brought forward	2,875,814	329,717	242,999	3,448,530
Total funds carried forward	3,087,460	407,498	233,603	3,728,561

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

3. Summary Financial Performance of the Parent Charity

	Note	Total Funds 2023 £	Total Funds 2022 £
Income			
Donations, grants and legacies			
Arts Council England Grant		963,808	1,560,866
Grants for RPO Resound		107,688	160,164
Sponsorship and donations		1,144,595	864,870
Charitable Activities			
Box office, orchestra hire and fees		7,562,525	5,238,332
Other income		244,743	180,140
Intercompany income		4,932,671	4,202,872
Investment income		11,351	2,274
Total income	5	<u>14,967,381</u>	<u>12,209,518</u>
Expenditure on:			
Raising funds		377,758	366,862
Charitable activities		13,768,731	11,553,614
Total expenditure		<u>14,146,489</u>	<u>11,920,476</u>
Net unrealised losses on investments		(11,727)	(9,010)
Net movement in funds in the year		809,165	280,031
Total funds brought forward		<u>3,728,561</u>	<u>3,448,530</u>
Total funds carried forward		<u>4,537,726</u>	<u>3,728,561</u>

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2023 (continued)

4. Statement of Subsidiary's activities

RPO Promotions Limited is a wholly owned subsidiary of the Royal Philharmonic Orchestra Limited which is commissioned to produce certain RPO concerts which are eligible for orchestra tax relief.

The trading results of RPO Promotions Limited and its assets, liabilities and funds at the year-end are summarised below.

	2023 £	2022 £
Turnover	3,756,411	3,613,045
Cost of Sales	(4,458,998)	(3,771,182)
Gross Loss	(702,587)	(158,137)
Administration Expenses	(481,222)	(438,374)
Operating Loss for the year	(1,183,809)	(596,511)
Taxation	1,183,809	596,511
Profit / (loss) for the year after Tax	-	-
Assets	1,780,172	596,609
(Liabilities)	(1,780,170)	(596,607)
Net Funds	2	2

5. Income Analysis

	By Source of Funds		By Location of Activity	
	2023 £	2022 £	2023 £	2022 £
United Kingdom	6,708,041	6,107,449	7,848,909	6,250,051
Europe	2,794,734	436,287	1,757,111	329,097
USA	222,715	1,186,682	-	1,054,169
Other	309,220	229,460	428,690	373,329
	10,034,710	8,006,646	10,034,710	8,006,646
Intercompany income	4,932,671	4,202,872	4,932,671	4,202,872
Total Charity income	14,967,381	12,209,518	14,967,381	12,209,518
Less: intercompany income	(4,932,671)	(4,202,872)	(4,932,671)	(4,202,872)
Total Consolidated income	10,034,710	8,006,646	10,034,710	8,006,646

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2023 (continued)

6. Expenditure Analysis

	Note	2023	2022
		£	£
Cost of raising funds			
Musicians' fees and associated costs		2,412	11,819
Venue costs		32,866	78,164
Travel related and other costs		16,905	3,306
Advertising and marketing costs		1,038	725
Support costs	7	325,505	273,640
Total cost of raising funds		378,726	367,654
Cost of charitable activities			
Musicians' fees and associated costs		6,016,003	4,544,293
Venue costs		440,763	341,990
Travel related and other costs		1,433,695	1,140,644
Advertising and marketing costs		262,532	147,749
Support costs	7	1,865,908	1,771,786
Total cost of charitable activities		10,018,901	7,946,462

7. Support costs

Support costs have been allocated to activities based on estimates of staff time or use of resource.

	Cost of raising funds	Charitable	Governance	Total 2023
	£	£	£	£
Staff and staff related costs	215,830	1,264,487	114,664	1,594,981
General office costs	34,885	276,594	4,210	315,689
Legal, professional and marketing costs	34,952	155,372	-	190,324
Finance and depreciation charges	4,851	64,493	-	69,344
Audit	-	-	21,075	21,075
	290,518	1,760,946	139,949	2,191,413
Allocation of governance support costs	34,987	104,962	(139,949)	-
Total support costs	325,505	1,865,908	-	2,191,413

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Support costs (continued)

	Cost of raising funds £	Charitable £	Governance £	Total 2022 £
Staff and staff related costs	200,630	1,175,349	102,806	1,478,785
General office costs	23,236	294,555	5,294	323,085
Legal, professional and marketing costs	12,499	126,332	-	138,831
Finance and depreciation charges	5,031	78,819	-	83,850
Audit	-	-	20,875	20,875
	<u>241,396</u>	<u>1,675,055</u>	<u>128,975</u>	<u>2,045,426</u>
Allocation of governance support costs	32,244	96,731	(128,975)	-
Total support costs	<u>273,640</u>	<u>1,771,786</u>	<u>-</u>	<u>2,045,426</u>

Staff and staff related costs includes salaries, national insurance, pension, training and recruitment.

8. Net income

Net income is stated after charging:

	<u>2023</u> £	<u>2022</u> £
Operating lease rentals	178,034	171,000
Auditor's remuneration for annual audit	21,075	20,875
Auditor's fees for taxation services	4,275	4,775
Depreciation of owned assets	60,642	60,004
Amortisation of intangible assets	-	553
	<u>264,026</u>	<u>257,151</u>

9. Taxation

The Royal Philharmonic Orchestra Limited (RPO Ltd) is a registered charity and is thus exempt from tax on income and gains falling within part 11 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992, to the extent that these applied to its charitable objectives. No tax charges have arisen in the charity in either 2023 or 2022.

The subsidiary RPO Promotions Ltd has no taxable profits in 2023 or 2022. It was eligible to claim Orchestra Tax relief in 2023 of £1,183,809 (2022 - £596,511).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

10. Staff costs

	2023	2022
	£	£
Salaries	1,491,758	1,338,346
Social security costs	164,362	142,959
Pension costs	82,785	66,097
Other short term benefits	2,228	1,893
	1,741,133	1,549,295

The number of employees whose total employee benefits (excluding pension contributions but including benefits in kind) in excess of £60,000 were:

	2023	2022
	Number	Number
£60,000 - £70,000	-	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	1
£150,001 - £160,000	-	1
£170,001 - £180,000	1	-

The average number of people employed by the company during the year was as follows:

	2023	2022
	Number	Number
Concerts Management	13	12
Community and Education	4	4
Business Development	8	6
Management, Finance and Administration	5	5
Total	30	27

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2023 (continued)

11. Key management

Key management is defined as the Board of Trustees (including the Managing Director) and the Deputy Managing Director. Including social security costs, benefits in kind and pension contributions, remuneration of key management was £363,295 (2022 - £321,580), comprising remuneration of the Managing Director, Deputy Managing Director, Chair and Vice Chair.

12. Directors' emoluments

Total directors' emoluments including benefits in kind and pension contributions, were £212,437 (2022 – £177,234). The only members of the Board who receive payment for their managerial and administrative services to the company, are the Chair, Vice Chair and Managing Director. The emoluments of the highest paid director fell within the range £190,001- £200,000 (2022 £150,001 - £160,000). Expenses reimbursed to the highest paid director in each year totalled £18,911 (2022 - £13,420) in respect of travelling and subsistence and office costs.

13. Transactions involving directors and other related parties

Directors – Orchestral performance fees

The directors who are playing members of the Orchestra receive performance fees on the same scale as those paid to other playing members, as permitted under the company's Articles of Association. The performance fees paid during the period in which they were directors are as follows:

	2023 £	2022 £
Charlotte Ansbergs	21,000	36,463
Benjamin Cunningham	22,082	36,482
Shana Douglas	47,211	43,765
Patrick Flanagan	32,073	33,049
Jonathan Hallett	-	22,353
Matthew Knight	34,699	35,414
Sali-Wyn Ryan	42,934	38,718
Andrew Storey	24,003	-
Elisabeth Varlow	41,523	19,139
Adam Wright	18,079	-
	283,604	263,563

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Transactions involving Directors and other related parties (continued)

Directors – Other transactions

Directors made donations totalling £15,275 in the year (2022 - £143,071).

Loans to members of the Orchestra

The Board may approve loans to members of the Orchestra to further the purposes of the charity, generally for the purchase or repair of musical instruments. Interest is usually charged at 4% of the outstanding loan balance and repayments are made monthly. In the year to 31 March 2021, because the pandemic reduced Members' fees significantly, Members were not required to make repayments and interest was not charged. Repayments recommenced during the year to 31 March 2022.

Loans during each year were:

Player	Loan Purpose	Original Loan £	Balance at		
			31 Mar 2021 £	31 Mar 2022 £	31 Mar 2023 £
E McDonough	Purchase of flute	16,000	-	-	12,874
K Ayling	Purchase of clarinets	5,000	-	4,472	3,145
T Milne	Purchase of viola	5,000	1,034	380	-
M Perry	Purchase of timpani	10,000	5,260	-	-
K Saunders	Purchase of horn	7,900	1,294	1,080	-
Total receivable			7,588	5,932	16,019

Royal Philharmonic Orchestra Trust

The Royal Philharmonic Orchestra Trust, an independently controlled, but connected charity, held a minority shareholding in RPO Ltd at the end of the financial year of 600 shares (2022: 800 shares). In addition, amounts receivable from the Trust at 31 March 2023 were £2,345 (2022 - £4,000).

American Friends of the Royal Philharmonic Orchestra

The American Friends of the Royal Philharmonic Orchestra (American Friends) is a charity registered in the United States of America, with charitable purposes similar to those of RPO Ltd. There was £11,303 receivable from the American Friends at 31 March 2023 (2022 - £5,862).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Transactions involving Directors and other related parties (continued)

Transactions between parent charity and subsidiary

The Royal Philharmonic Orchestra Limited commissioned its subsidiary RPO Promotions Limited to produce certain RPO concerts, for which a fee of £3,756,411 (2022 - £3,613,045) is payable by the Royal Philharmonic Orchestra Limited to its subsidiary and in respect of which production costs of £4,932,671 (2022 - £4,202,872) are receivable from the subsidiary.

The balance owed by RPO Promotions Limited to the parent charity at 31 March 2023 is £1,776,295 (2022 - £593,082), as set out in note 16.

14. Tangible Fixed assets

Consolidated and Charity

	Computer Equipment £	Motor Vehicles £	Library £	Concert Equipment £	Office and Warehouse Fittings and equipment £	Total £
Cost						
At 1 April 2022	77,727	310,690	46,889	145,980	41,628	622,914
Additions	12,550	-	-	-	5,083	17,633
Disposals	(25,106)	-	-	(4,568)	(3,793)	(33,467)
At 31 March 2023	65,171	310,690	46,889	141,412	42,918	607,080
Depreciation						
At 1 April 2022	65,842	147,948	-	138,631	38,892	391,313
Charge in the year	9,266	44,384	156	3,546	3,288	60,642
Disposals	(25,106)	-	-	(3,999)	(3,793)	(32,898)
At 31 March 2023	50,002	192,322	156	138,180	38,387	419,057
Net Book Value						
At 31 March 2023	15,169	118,358	46,733	3,232	4,531	188,023
At 31 March 2022	11,885	162,742	46,889	7,349	2,736	231,601

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

15. Fixed asset investments

15.1 Fixed asset investments – Consolidated and Charity

	Consolidated		Charity	
	2023	2022	2023	2022
	£	£	£	£
Investment Fund at market value	160,818	172,781	160,818	172,781
Shares in group company at cost	-	-	2	2
Total Fixed Asset Investments	160,818	172,781	160,820	172,783

The Investment fund comprises publicly tradeable shares and investment funds, held for long term growth. There were no investment fund assets at 1 April 2020 or 31 March 2021.

The charitable company has a wholly owned subsidiary, RPO Promotions Limited, registered in England and Wales. The aggregate capital and reserves of RPO Promotions Limited amounted to £2 at 31 March 2023 and 2022. The activities of RPO Promotions Limited are explained in note 4.

15.2 Movement in Fixed Asset Investments

	2023	2022
	£	£
Market value at 1 April	172,781	-
Share donation	-	105,302
Less:		
Disposal proceeds	(63,727)	(43,256)
Net Cash (withdrawn)	(462)	
Add:		
Acquisitions at cost	63,727	118,256
Net cash reinvested	-	1,489
Net loss on revaluation	(11,501)	(9,010)
Market value at 31 March	160,818	172,781
Historic cost at 31 March	181,329	181,791

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

15.3 Fixed Asset Investment portfolio by geography

	2023	2022
	£	£
Investment assets in the UK	74,569	100,400
Investment assets outside the UK	86,249	72,381
Total Market value at 31 March	160,818	172,781

15.4 Fixed Asset Investment portfolio by asset class

	2023	2022
	£	£
Fixed interest bonds	8,493	9,847
UK Equities	49,554	24,823
Overseas Equities	86,249	72,381
Property and alternative assets	13,571	9,464
Cash	2,951	56,266
Total Market value at 31 March	160,818	172,781

16. Debtors

	Consolidated		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	310,371	440,186	310,371	440,186
Current tax recoverable	1,183,809	595,568	-	-
Amounts owed by group undertakings	-	-	1,776,295	593,082
Other debtors	31,025	19,233	31,025	19,233
Prepayments and accrued income	277,565	156,960	277,565	156,960
Total Debtors	1,802,770	1,211,947	2,395,256	1,209,461

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

17. Creditors: Amounts falling due within one year

	Consolidated		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	127,791	93,408	127,791	93,408
Musicians' fees	344,746	459,120	344,746	459,120
Social security and other taxes	236,387	93,668	236,387	93,668
Other creditors	28,558	39,522	28,558	39,522
Accruals	153,336	191,441	149,461	187,916
Billings in advance	666,083	878,073	666,083	878,073
	1,556,901	1,755,232	1,553,026	1,751,707

Other creditors includes £5,290 (2021 - £3,610) representing cash held on behalf of the Trustees of the Royal Philharmonic Orchestra Sickness and Benevolent Fund.

Billings in advance represent fees and ticket sales received in advance of the event to which they relate:

	2023	2022
	£	£
At 1 April 2022 / 2021	878,073	1,066,022
Additions	311,258	275,162
Released	(523,248)	(463,111)
At 31 March 2023 / 2022	666,083	878,073

18. Provisions for liabilities and charges

	2023	2022
	£	£
At 1 April 2022 / 2021	-	61,183
Additions	-	-
Utilisation	-	(59,004)
Released	-	(2,179)
At 31 March 2023 / 2022	-	-

The provision at 1 April 2021 represented the cost of repairs to the Orchestra's administrative offices, which were committed prior to 1 April 2021 and utilised in the year to 31 March 2022.

Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

19. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
As at 31 March 2023				
Fixed assets	188,023	160,818	-	348,841
Current assets	5,010,346	234,717	500,723	5,745,786
Current liabilities	(1,505,939)	-	(50,962)	(1,556,901)
	3,692,430	395,535	449,761	4,537,726
As at 31 March 2022				
Fixed assets	231,601	172,781	-	404,382
Current assets	4,608,258	234,717	236,436	5,079,411
Current liabilities	(1,752,399)	-	(2,833)	(1,755,232)
	3,087,460	407,498	233,603	3,728,561

20. Called up share capital

	2023 £	Authorised 2022 £	Allotted and Fully Paid 2023 £	2022 £
Ordinary shares of £10 each	100,000	100,000	71,000	71,000

The company's Memorandum of Association prohibits the payment of dividends, return of capital or distribution of surplus funds to the shareholders in the event of the winding up of the company. All ordinary shares carry full voting rights.

21. Designated funds

	2023 £	2022 £
Residency development fund	220,000	220,000
Dilapidations fund	14,717	14,717
Investment fund	160,818	172,781
	395,535	407,498

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

Designated funds (continued)

The residency development fund is to invest in artistic programming and organisational systems and resources to develop residencies, including the move of the administrative office to Wembley Park. The dilapidations provision relates to the current administrative office of the RPO. The investment fund is the shares and units in investment funds held for long-term growth.

22. Restricted funds

	Community and Education projects £	Orchestral performances £	Total Funds £
Year to 31 March 2023			
Balance at 1 April 2022	233,603	-	233,603
Received during the year:			
Trusts, foundations and local authorities	48,177	78,135	126,312
Donations/sponsorship	59,511	707,608	767,119
Expenditure during the year	(171,799)	(505,474)	(677,273)
Balance at 31 March 2023	169,492	280,269	449,761
Year to 31 March 2022			
Balance at 1 April 2021	242,999	-	242,999
Received during the year:			
Trusts, foundations and local authorities	100,914	63,634	164,548
Donations/sponsorship	59,250	90,722	149,972
Expenditure during the year	(169,560)	(154,356)	(323,916)
Balance at 31 March 2022	233,603	-	233,603

Community and Education projects cover a range of participatory activities in the community, public spaces and health settings and with under-represented and hard to reach groups, schools, families and patients.

Orchestral performances are concerts supported by restricted donations.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

23. Reconciliation of movement in funds

	Total Unrestricted Funds				Total Funds
	Called-up Share Capital	Other Unrestricted Funds	Designated Funds	Restricted Funds	
	£	£	£	£	£
Year to 31 March 2023					
Balance at 1 April 2022	71,000	3,016,460	407,498	233,603	3,728,561
Income	-	9,138,515	2,764	893,431	10,034,710
Expenditure	-	(9,717,354)	(3,000)	(677,273)	(10,397,627)
Net unrealised losses on investments	-	-	(11,727)	-	(11,727)
Tax credit	-	1,183,809	-	-	1,183,809
Balance at 31 March 2023	71,000	3,621,430	395,535	449,761	4,537,726
Year to 31 March 2022					
Balance at 1 April 2021	71,000	2,804,814	329,717	242,999	3,448,530
Income	-	7,534,985	157,141	314,520	8,006,646
Expenditure	-	(7,919,850)	(70,350)	(323,916)	(8,314,116)
Net unrealised losses on investments	-	-	(9,010)	-	(9,010)
Tax credit	-	596,511	-	-	596,511
Balance at 31 March 2022	71,000	3,016,460	407,498	233,603	3,728,561

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2023 (continued)

24. Operating lease commitments

The company has annual operating lease commitments as follows:

	<u>Land and Buildings 2023 £</u>	<u>Land and Buildings 2022 £</u>
Commitments arising in:		
Less than one year	217,816	108,000
Two to five years	420,076	189,000
	<u>637,892</u>	<u>297,000</u>

The leases relate to the company's premises in London, UK: a warehouse in Greenford and offices in Clerkenwell.

The lease for the warehouse in Greenford commenced in June 2012 for a term of ten years and expired in June 2022.

The company has leased its premises in Clerkenwell since August 1986. The lease is expected to end when the administrative office is moved to Wembley Park, which is currently expected to be March 2025 and at the prior year-end was expected to be December 2024.

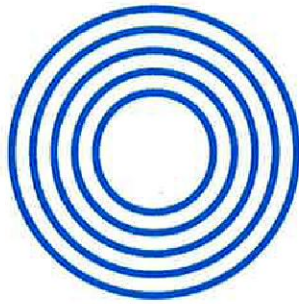
25. Capital Commitments

The company had no capital commitments at 31 March 2023 or 31 March 2022.

ROYAL PHILHARMONIC ORCHESTRA LIMITED

England & Wales - Charity number 244533

Accounts



ROYAL PHILHARMONIC ORCHESTRA

ROYAL PHILHARMONIC ORCHESTRA LIMITED

Company Number 00763836

Registered Charity Number 244533

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2022

Royal Philharmonic Orchestra Limited
Consolidated Report and Financial Statements

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Company Information

Patron

HM King Charles III

Music Director

Vasily Petrenko

President

Aline Foriel-Destezet

Directors

Benjamin Cunningham (Chair)

Matthew Knight (Vice Chair)

James Williams (Managing Director)

Charlotte Ansbergs

Lord Paul Boateng

Elizabeth Case (nee Kistruck)

Shana Douglas

Charles Fairweather

Patrick Flanagan

Phillip Keller

Peter Lumley

Sali-Wyn Ryan

Elisabeth Varlow

Company Secretary

Ann Firth

Independent Auditor

Moore Kingston Smith LLP

6th Floor

9 Appold Street

London EC2A 2AP

Bankers

Bank of Scotland

Pentland House

8 Lochside Avenue

Edinburgh EH12 9DJ

National Westminster Bank

Regent Street Branch

250 Regent Street

London W1B 3BN

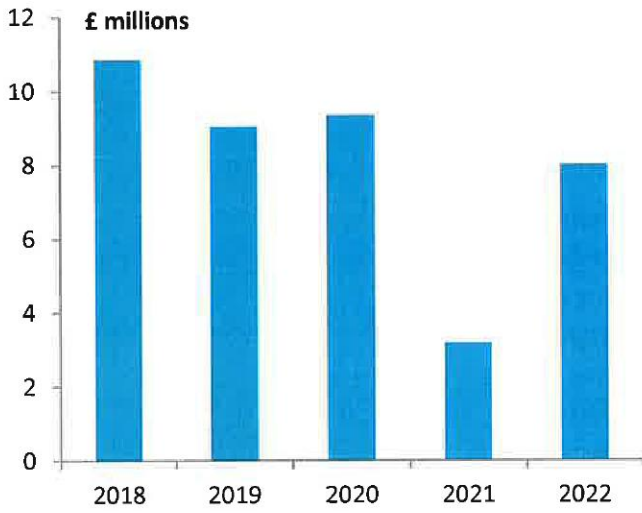
Registered Office

16 Clerkenwell Green

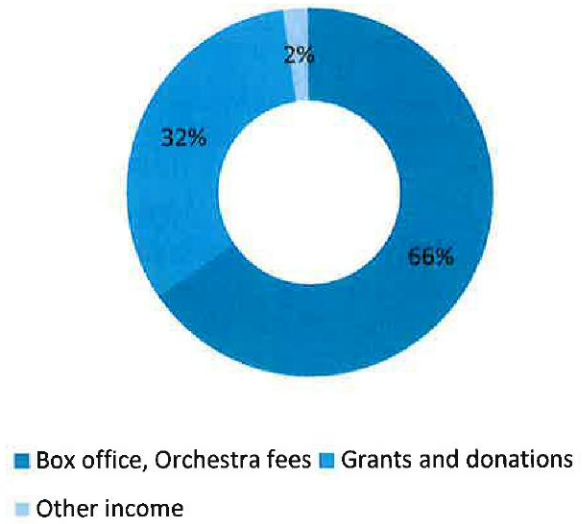
London EC1R 0QT

Royal Philharmonic Orchestra Limited
Financial Headlines Charts

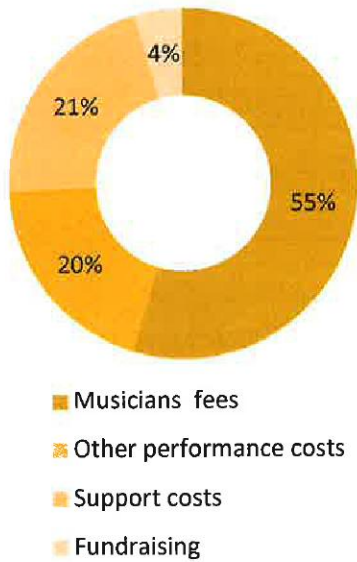
Five year income trend



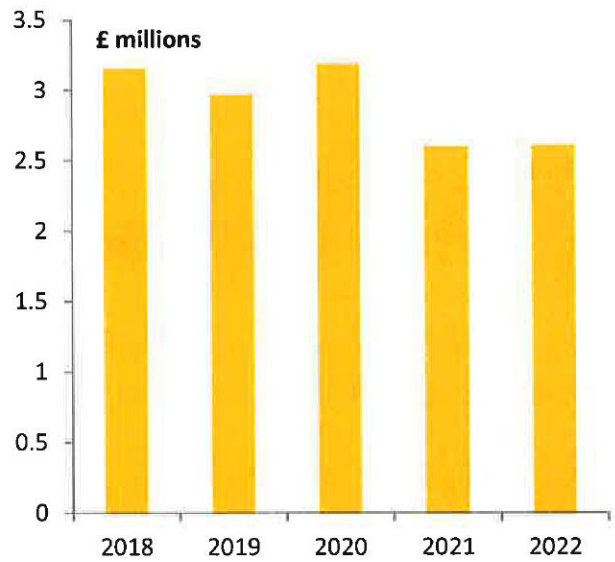
2022 Income



2022 Costs



Five year Free Reserves



Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2022

The Trustees, who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of the Companies Act 2006, present their annual report and the consolidated financial statements of the group for the year ended 31 March 2022. These comply with the Companies Act 2006 and the Charities Act 2011. The Trustees have also adopted the provisions of 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, issued in July 2014 and updated in February 2016 and October 2018. The Trustees, in preparing the strategic report, have complied with s414C of the Companies Act 2006.

References to '2022' and '2021' in this report mean the years ended 31 March 2022 and 31 March 2021, respectively.

STRATEGIC REPORT

Objects

The Royal Philharmonic Orchestra Limited is established to promote, maintain and advance education, particularly musical education and to encourage the arts. The Orchestra continues to be totally committed to its twin objectives of making music of the highest quality and reaching the widest possible audience. The Orchestra plays an important role in enriching people's lives whilst striving to further its charitable purposes for the public benefit, both in the concert hall and in the community.

Public Benefit

The Royal Philharmonic Orchestra and Royal Philharmonic Concert Orchestra demonstrate their reach across the public at large through the diversity of orchestral music performed and the numerous locations in which they appear. In addition, a majority of Royal Philharmonic Orchestra concerts in the United Kingdom (including London), involve direct engagement with the public or have a learning or enrichment activity attached to them, such as an open rehearsal or a music making workshop. The Orchestra's programme also features work with groups that may not easily be able to access musical experiences such as the visually impaired, children with special educational needs, prisoners and refugees.

The Orchestra works with schools and universities in the United Kingdom to deliver part of their musical education offer. It has also formed partnerships with orchestras and institutions outside the United Kingdom to share community and education outreach expertise, enabling those orchestras in the future to be promoters of musical education and the arts, for the benefit of the public in their localities. Musical teaching professional development is provided each year, for members of the Orchestra, teachers in the education sector and workshop leaders.

The Orchestra also works in the health sector, in stroke rehabilitation and mental health services, harnessing the power of music to support improvements in health and wellbeing.

Operating at the highest professional artistic levels, the Orchestra is able to develop the musical talents of orchestral musicians, soloists and conductors and regularly features a diverse range of young and emerging artists in its programmes.

Report of the Trustees for the year ended 31 March 2022 (continued)

Highlights of the year reported on elsewhere in this report demonstrate the public benefit of activities. The Trustees can therefore confirm that the Royal Philharmonic Orchestra Limited has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission of England and Wales.

Vision, Mission and Values

The vision, mission and values of the RPO have been drawn from strategic planning and dialogue involving the perspectives of the Orchestra membership, staff, audiences and partners:

Vision

The Royal Philharmonic Orchestra aspires to:

- be an orchestra for the modern world, unafraid to push boundaries
- place orchestral music at the heart of contemporary society, deepening engagement with communities and creative partners
- be a respected cultural ambassador locally, nationally and internationally

Mission

The Royal Philharmonic Orchestra's mission is to enrich lives through orchestral experiences that are uncompromising in their excellence and inclusive in their appeal.

Values

- Excellence – we strive to achieve ambitious goals across our organisation
- Collaboration – in partnership, we achieve more together
- Inclusivity – great orchestral experiences must be accessible to all
- Resilience – our versatility is key to our success
- Responsibility – the talents of our musicians must be used for the benefit of everyone
- Passion – the driving force within the RPO

Activities and performance

Royal Philharmonic Orchestra (RPO)

In April 2021, the Royal Philharmonic Orchestra was delighted to announce that the then HRH The Prince of Wales, now King Charles III had accepted an invitation to become the Orchestra's Patron. The King has a life-long association with the Arts.

In the first four months of the year, the Orchestra performed to the extent viable, given the prevailing COVID 19 constraints, requiring constant adaptation. This period included five concerts filmed at the Royal Albert Hall and Cadogan Hall for later streaming, two of which featured the full Orchestra and soloists, whilst three were small ensembles featuring sections of the Orchestra. In May and June 2021, eight small ensemble concerts with socially distanced audiences at regional venues and at Cadogan Hall took place. In late May and June the full Orchestra performed two *Heroes and Villains* family concerts and a performance with the cellist Stephen Isserlis at the Royal Festival Hall. The April to June performance programme was supported by the Department of Culture, Media and Sport's Culture Recovery Fund, enabling both the Orchestra and venues to begin tentative steps to recovery and bring the joy of live music back to audiences.

Report of the Trustees for the year ended 31 March 2022 (continued)

2022 was a milestone for the Royal Philharmonic Orchestra, celebrating 75 years of music-making since its inaugural concert in 1946, and welcoming Vasily Petrenko as the new Music Director of the Orchestra. In August 2021 the RPO and Vasily Petrenko launched their musical partnership with a programme of works by Vaughan Williams, Respighi and Mendelssohn performed at the Royal Albert Hall as part the 2021 BBC Proms. This was followed by a performance at the Edinburgh International Festival with Isata Kanneh-Mason as soloist and a short European tour that included concerts in Wiesbaden, Merano and Bucharest, with solo violinist Julia Fischer.

In September 2021, the Orchestra launched its first full season of concerts in London and across the UK since the COVID 19 pandemic. Concerts included a *Great British Music* series at the Royal Festival Hall and the Royal Albert Hall, celebrating the themes of freedom, hope and adventure with music from composers who have defined the landscape of British music.

On 11 September 2021, RPO musicians presented Wemba's Dream at Wembley Park. The series of free performances featuring music, dance, theatre, spoken word and film were the culmination of a year's creative partnership with a diverse range of local Brent artists, Wembley Park Arts and Quintain.

The Orchestra performed a 75th Anniversary Gala concert on 21 Sept 2021 at the Royal Albert Hall, marking 75 years since the RPO's very first concert in Croydon's Davis Theatre on 15 September 1946. The concert paid tribute to the Orchestra's inception and founder, Sir Thomas Beecham, with one of the pieces featured in that programme by Delius (*Over the Hills and Far Away*) a composer who Beecham championed throughout his life. Soloist Sheku Kanneh-Mason performed Elgar's Cello Concerto and the concert's centrepiece was Walton's *Belshezzar's Feast*, featuring the Philharmonia Chorus with special guest soloist Sir Bryn Terfel.

Due to the COVID 19 pandemic, the RPO's January 2022 tour to the United States of America heralded the RPO as the first international orchestra to visit the United States, since March 2020. The Orchestra's coast-to-coast tour comprised fourteen concerts in nine venues, with the pianist Olga Kern and the cellist Kian Soltani as soloists. The Orchestra's week-long residency at the newly opened Steinmetz Hall in Orlando spanned musical styles, from Tchaikovsky with the Royal Ballet to Duke Ellington with the Jazz Orchestra from the Hall as well as performing alongside singers Jennifer Hudson and Lyle Lovett. The tour culminated in a much-anticipated sell-out concert at New York's Carnegie Hall as part of the 'Carnegie Hall Presents' series. The all-British music programme, broadcast on PBS radio, included Britten's *Four Sea Interludes*, Elgar's Cello Concerto and Holst's *The Planets*, which had not been heard at the Hall for over a decade.

The Orchestra and Vasily Petrenko returned to the UK to perform at London Southbank Centre's Royal Festival Hall. *The Planets* was again on the programme, but this time alongside a new work *Ellipsis* by the young British composer Dani Howard, commissioned to mark the RPO's 75th Anniversary.

22 recording projects were undertaken in the year, more than 2021, but not at the usual annual level due to the pandemic. Sessions included the conclusion of a Sibelius Symphonies cycle conducted by Owain Arwel Hughes, Bruch and Barber's Violin Concertos, conducted by Vasily Petrenko with violinist Esther Yoo and the music of Christopher Tin, Lionel Richie, Def Leppard and Mike Oldfield's Tubular Bells.

Royal Philharmonic Concert Orchestra (RPCO)

RPCO engagements recommenced for the first time since the COVID 19 pandemic in August 2021. The Concert Orchestra undertook 11 engagements including two overseas tours, Harry Potter film music, festivals and an

Report of the Trustees for the year ended 31 March 2022 (continued)

engagement celebrating the late Queen's Platinum Jubilee. Several engagements had been deferred from summer 2020. With lead times for ticket sales reduced by varying COVID restrictions, promoters remained wary of committing to new events within the year. Activity for the period September to March was therefore lower than a typical year.

RPO Resound (Community and Education programme)

RPO Resound began the year delivering *Noisy Kids* relaxed concerts at the RPO's residency venues in Crawley, Hull and Reading, supported by Culture Recovery Funds. A further cycle of relaxed concerts in Brent, Bridlington, Northampton and Scunthorpe were performed in October and November 2021, supported by Goldman Sachs Gives and East Riding of Yorkshire Council.

The partnership with Orchestras Live on its inclusive youth ensemble project *Share Sound* continued into 2022. The digital approach had enabled the project to commence during the pandemic last year, with young and professional musicians creating and performing virtually. The online premiere of the music developed was performed in July 2021, bringing together the Norfolk and Cumbria Music Service area groups supported by RPO Resound with the groups from four other Music Service areas.

RPO Resound continued to deliver some projects digitally, including musicians professional development for the Suzhou Symphony Orchestra in August and September 2021 and STROKESTRA® the Orchestra's Stroke rehabilitation project. 53 digital resources were produced during the year for education or community purposes.

Between July and November 2021, RPO Resound and the Irene Taylor Trust returned to HMP Norwich with the Lullaby Project, which was originally devised by Carnegie Hall's Weill Music Institute in the United States of America and brought to the UK in 2017. Musicians worked with eight fathers who composed and recorded songs reflecting their memories and thoughts about their children enabling them to connect with their children despite the barriers that serving time in prison brings. The project featured in a Radio 4 Documentary aired in January 2022.

Across the year, RPO Resound delivered 394 musical workshops or events, involving 9,765 participants; similar to pre-pandemic levels, despite restrictions in the first four months of the year.

RPO Resound was proud to be selected by the Football Association as a Cultural Partner for the UEFA Women's EURO 2022 Arts Programme. The project, reaching 3,000 people in ten host cities, commenced in March 2022 with a national callout inviting fans to submit words, ideas and phrases to contribute to a new anthem celebrating the Women's EURO 2022. Inspired by three prompts set by writer Hazel Gould, fans' perspectives and lyrics have since been woven together into a new anthem, 'Beautiful Game', by composer Shirley Thompson OBE and recorded by the full Royal Philharmonic Orchestra with community singers from each host city.

Marketing, Press & PR

The RPO launched a new brand logo, website and 75th Anniversary campaign inviting existing and new audiences to *Join the Journey* and explore and enjoy orchestral music. Investment in the website alongside the brand campaign has paid off with visitor numbers retained and more users going on to access further information.

Report of the Trustees for the year ended 31 March 2022 (continued)

Performances filmed towards the end of 2021 or early 2022 were released in the year, particularly in the first quarter, through a mix of ticketed and free online events. The 36 streams released, achieved an audience of nearly 48,000 and contributed to the 46% increase in YouTube views of RPO material. Other social media platforms have also increased followers, even after the seven-fold increase last year during the initial months of the COVID 19 lockdown.

Once concerts could return to being public events, marketing has had to be agile to rebuild audience confidence and adapt to the changed habits of concert goers, whilst also attracting new audience members, some of whom have attended orchestral concerts for the first time. The Orchestra was particularly appreciative of ticket buyers who agreed to roll forward their tickets to rescheduled events, sometimes two years after the original planned date. Group ticket buyers and RPO Club Members have also returned to the concert hall in force.

Impact and Relevance

The RPO's Insights research report published in 2022, *From Restrictions to Recovery* revealed the powerful role orchestral music is playing in rebuilding society, economically and culturally, after the pandemic. During the pandemic, two thirds of the United Kingdom population listened to music to lift their mood. Orchestral music was a powerful part of this picture, sitting just below pop music as the genre people were most likely to listen to as background music.

As the country emerged from lockdown, interest in orchestral music had risen outside London, reducing the pre-pandemic disparity between London and the regions and demonstrating an opportunity for orchestral music to feature more in cultural life outside the capital. Confidence was initially a barrier for some in returning to the concert hall, but research showed that this was generally overcome by a first visit, seeing the good safety practices of venues in action and enjoying live music again.

Research this year included a focus on the perspectives of those identifying as ethnic minority, lower income, LGBT or disabled; groups which are generally under-represented as orchestral music performers and audience members. The research revealed that the vast majority enjoyed orchestral music or would be keen to discover it. Local access to nearby concerts and affordability of tickets were the two top issues which were barriers to attending orchestral performances. The RPO has had a history of performing orchestral music around the United Kingdom including outside major cities and this continued to be a commitment in its programme during 2022.

Financial Review

The results for the year to 31 March 2022 and the preceding financial year are set out in the Consolidated Statement of Financial Activities on page 21.

Last year, as a result of the pandemic, the Royal Philharmonic Orchestra lost 100% of overseas tour income, RPO fees and income from residencies outside London. Other performance income had reduced by 91% compared to 2020, with a fraction of concerts, recordings and workshops able to go ahead and then at a reduced scale, with social distancing of musicians and audiences prevailing.

Report of the Trustees for the year ended 31 March 2022 (continued)

Business was particularly depressed by the pandemic in the four months to July 2021, with income for the period one third of typical pre-pandemic levels (excluding Cultural Recovery Fund support). As forecast last year, earned income and donations built up across the year, ending the year closer to typical pre-pandemic levels. Total group income in the year therefore increased by £4,819,984 to £8,006,646 (2021 - £3,186,662). Excluding additional public support in 2022 and 2021 through the Culture Recovery Fund and Coronavirus Job Retention Scheme (the latter was only received in 2021), income increased three-fold in 2022. 65% (2021 - 12%) of the income for the year is performance income (comprising box office receipts, orchestra fees and hire), 19% (2021 - 58%) Arts Council England funding, 14% (2021 - 17%) other grants, donations and sponsorship and 2% (2021 - 13%) investment and other income.

62% of Arts Council Funding in the year is the Orchestra's NPO grant and the remaining 38% is Culture Recovery Fund awards. Culture Recovery Funding of £597,058 has been recognised in the year compared to £897,032 in 2021).

Other grants and sponsorship represent a lower proportion of income in 2022 compared to the previous year only because income in 2021 was much reduced. Other grants and sponsorship have increased by 87% to £1,025,034 (2021 - £549,237). 2022 income includes donations raised through the Orchestra's 75th Anniversary Appeal and donations for a long-term investment fund.

The £229,423 decrease in investment and other income is primarily due to last year's claims for Coronavirus Job Retention Scheme grants amounting to £295,929.

Expenditure in 2022 was £8,314,116, an increase of £4,734,598 over the £3,579,518 of 2021 and broadly in line with the increase in income, with activity rebuilding after the pandemic.

Expenditure on the charitable activities of performance and outreach, accounted for 96% of expenditure and £4,572,249 of the increase in the year, reflecting the tour to the United States of America, the gradual return of full scale concerts in the United Kingdom and a wider range of recordings and outreach work.

Fundraising costs represent 4% of total costs and increased by 79% in 2022 due to reintroducing a fundraising event and rebuilding staffing, after a reduction during the pandemic. 2022 costs include the expenditure on a 75th Anniversary Gala dinner attended by supporters of the Orchestra and a 13% growth in staffing costs to generate income.

55% of expenditure was on fees to musicians, including Members of the Orchestra, extra orchestral musicians, soloists, conductors and choirs. Other production costs accounted for 20% of total expenditure. Support and fundraising costs represent 25% of total expenditure, higher than pre-pandemic proportions because activity was constrained, particularly in the first quarter of the year. Support costs have been held back when possible. For example, staffing levels have not been fully restored to pre-pandemic levels and senior staff pay has not increased, in line with Culture Recovery Fund commitments.

Unrealised losses of £9,010 (2021 - £nil) arose on investments, due to revaluing at the 31 March market values. The investments were acquired in the year, with donations for a long-term investment fund.

Net expenditure before taxation for the year was a £316,480 deficit (2021 - £392,856 deficit). Surplus after tax relief £280,031 (2021- Deficit £378,146 after tax relief.)

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2022 (continued)

Reserves

There has been a £9,396 net reduction to restricted funds in 2022 (2021 - £48,389 net additions). This reflects delivery of outreach projects which were restricted in 2021 by COVID, partly offset by new donations. These include donations for the RPO's Brent Music Academy, which will be launched next financial year and a grant from the Baring Foundation for a Mental Health project in Brent, which is largely taking place next year.

Designated reserves of £407,498 (2021 - £329,717) comprise a £220,000 Residency Development fund after utilisation of £30,000 in 2022, a Property dilapidations fund of £14,717 and the Investment fund of £172,781. Donations to contribute to an Investment fund, were the driver of the growth in designated funds. In addition to the use of £30,000 of the Residency development fund, the £40,000 Concert fund held at last year end was utilised in April 2021 to support recorded concerts conducted by the Orchestra's Music Director Designate, Vasily Petrenko with the pianists Stephen Hough and Paul Lewis.

The RPO's reserves policy is to hold minimum free reserves (defined as unrestricted reserves excluding fixed assets and share capital) at a level equivalent to three months unrestricted expenditure and no less than £2 million. Free reserves are held to enable the RPO to meet commitments as they fall due, to protect against financial risks which may crystallise (largely factors arising from the exposure to variable income levels and cost commitments and income diverging) and to finance investments and improvements which go beyond normal annual spend.

At 31 March 2022, free reserves, stood at £2,612,078 (2021 - £2,527,141), equating to three months (2021 - three months) budgeted unrestricted expenditure. This includes Orchestra Tax Relief of £596,511, which will not be received until January 2023 and £41,465 unrealised gains on revaluation of currency balances.

Future Plans

The RPO's future plans centre on developing artistic excellence and on promoting inclusion and opportunity to experience enriching orchestral music. The programme of work for RPO, RPCO and RPO Resound in 2023 is expected to be at a pre-pandemic level, except in regional residencies, several of which are reviewing and restricting their programme with visiting orchestras.

Artistic excellence is particularly focused on work with Vasily Petrenko and including performances on the international stage. In 2023, the RPO will visit Austria, Belgium, Germany, Greece, Lithuania, Poland, Slovakia, Slovenia, Switzerland. In London, the concert season from September 2022 to June 2023 will take as its theme '*Journeys of Discovery*', with the RPO and Vasily Petrenko taking a journey through the facets of the human character with music as their guide. Isata Khanneh-Mason will perform as Resident Artist for the Orchestra's Cadogan Hall concert series.

The Orchestra will deepen its roots in the London Borough of Brent, including the final event of the UEFA Women's Euro arts programme prior to the competition's final event, a Mental Health project and the launch of the Brent Music Academy. Working with the Brent Music Service and experts in other musical genres, the RPO will provide pathways for talented young people to develop musical performance and production skills.

The RPO is also seeking to restore its work outside London and is hopeful that it will emerge from 2023 with a wider and more impactful programme.

Report of the Trustees for the year ended 31 March 2022 (continued)

In April 2022, the RPO submitted an application to Arts Council England for three further years of National Portfolio Funding. The outcome of the application is expected to be known by mid-October 2022.

Principal Risks and Uncertainties

The Trustees have established procedures for considering the significant risks to which the company is exposed and the measures to mitigate the impact of those risks. These procedures include tasking the Audit Committee to review the overall risk profile of the Orchestra, the mitigating controls currently in place and additional actions proposed for the next twelve months; a review which is generally undertaken twice a year. During 2022, the Board continued to review risks arising from the COVID pandemic. Emerging from the pandemic these risks included the loss of knowledge and capacity in the arts sector as a result of job losses and shortages of extra musicians.

The risk of a lean schedule of performances has been recognised for many years and the Orchestra's management has successfully mitigated this by diversifying the work of the Orchestra and its income sources. The COVID pandemic and the consequent shut-down of performance venues and recording studios was unprecedented in its scale, but the RPO weathered this storm, supported by the Culture Recovery Fund and income support grants (as well as staff furlough grants in 2021). A diverse portfolio of work remains a sound protection against declining income and consequently this remains a feature of the RPO's strategy, as is increasing donations and sponsorship for the Orchestra.

The major risk to income is Arts Council England's review of its National Portfolio Organisations (NPO), which aims to reduce the budget for London based organisations by 15% from April 2023 and bring new arts organisations into the Portfolio. Decisions on applications for NPO funding are expected to be given in mid-October 2022. Scenario planning has been undertaken to model the result of reduced funding which was reviewed by the Board in September.

The departure of the UK from the European Union has increased the complexity and cost of touring to Europe with complex logistics involved in transporting instruments which involves buying in services from overseas firms and additional time. There are additional and growing conditions to be handled to comply with overseas tax, social security and visa requirements. There were no tours to Europe in the financial year 2022 and therefore these additional complexities were new hurdles initially experienced in summer 2022.

Going Concern

Forecasts for the years ended 31 March 2023 and 2024 indicate that reserves will cover unavoidable outgoings throughout both years. The 2024 based forecast assumes the RPO's application for NPO funding from April 2023 for three years, is successful. In the event that the application is unsuccessful, the scenario planning undertaken to model reduced funding would be put into effect. Therefore, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2022 (continued)

DIRECTORS' REPORT

Reference information

Reference information, administrative details and key advisors are set out on page 1 of this report and changes of directors during the year are set out below.

Background and Constitution

The Royal Philharmonic Orchestra Limited (also known as the RPO) is a charity registered with the Charity Commissioners for England and Wales (registration no. 244533) and is a company incorporated in England and Wales under the Companies Acts, as a company limited by shares (company no. 763836). Incorporated in 1963, the company is governed by its Memorandum of Association and Articles of Association. All full playing members of the Orchestra are required to hold 100 ordinary shares of £10 each.

The Royal Philharmonic Orchestra Limited has a wholly owned trading subsidiary, RPO Promotions Limited (company no. 04028129), previously named RPO Licensing Limited, which acts as a creative producer of orchestral concerts for the RPO.

Governance

The Directors of RPO Limited, who also act as the Board of Trustees, are responsible for the overall governance of the company. The Directors during the year to 31 March 2022 and up to the date of this report are:

Benjamin Cunningham (Chair)
Matthew Knight (Vice Chair)
James Williams (Managing Director)
Charlotte Ansbergs
Lord Paul Boateng (appointed 23 March 2022)
Elizabeth Case (nee Kistruck)
Shana Douglas
Charles Fairweather
Patrick Flanagan
Jonathan Hallett (resigned 11 November 2021)
Phillip Keller
Peter Lumley
Elisabeth Varlow (appointed 11 November 2021)

The Company's Articles of Association set out that the Board will comprise a minimum of seven Directors and a maximum of thirteen, including the Managing Director. Other than the Managing Director, the maximum number of Directors comprises seven members of the Orchestra and five non-executives. There have been seven player Directors throughout the year and in March 2022, the number of Non-Executive Directors increased from four to five with the appointment of Lord Paul Boateng.

Report of the Trustees for the year ended 31 March 2022 (continued)

Directors are appointed either by votes of members at the annual general meeting or, to fill a vacancy until the next annual general meeting, by a majority of directors. Non-executive Directors are recommended by the Nominations Committee and appointed on the basis of their skills and experience and in relation to the needs of the company. The term of office for non-executive Directors is five years with the potential to be reappointed for a further five year term. Player-member Directors are appointed for a three year term of office. Each year, eligible members of the Orchestra may be nominated for election to the Board to fill any vacancies, including any player Directors who have completed one or more three year terms.

The Board of Trustees meets at least four times a year to ensure robust governance and deal with all major issues that concern the well-being of the Orchestra. During the year the Board held a Strategic Planning session to set the key priorities for 2023 to 2026, alongside reviewing the themes prioritised by Arts Council England in its Let's Create Strategy. The Board developed these priorities through the 2023 Business Plan and an application to Arts Council England for continuing National Portfolio Organisation funding from 2024.

During 2022, the Board undertook a skills audit which served to identify the skills and experience to seek in the non-executive recruitment, delegated to the Nominations Committee. The Board allocates time at each meeting to address progress on Inclusion and Diversity, receiving reports from the Inclusion and Diversity Working Group. In 2022, the Board refined its Inclusivity and Relevance plans, covering internal diversity and audience and impact goals, for submission to Arts Council England. In March 2022, the Board introduced a Balanced Scorecard, comprising a range of financial and non-financial measures, which it will use in 2023 to monitor progress against the Business Plan.

The Audit Committee, a sub-group of the Board of Trustees, is chaired by a Non-Executive Director and meets prior to each Board meeting to monitor the Orchestra's financial internal controls, governance and risk management. External advisors are invited to attend the Audit Committee when additional expertise is required. The Committee met five times in the year, maintaining oversight of finances and the financial risks inherent in rebuilding operations whilst venue capacity and audience confidence remained slight. The Committee reviewed the Members income support scheme, which was utilised through to July 2021, but kept open until September 2021 as continuing cancellations put musicians' incomes at risk. The Committee also reviewed progress on premises projects and compliance with the conditions of Arts Council England Cultural Recovery Fund grants.

Remuneration policy

The Audit Committee is responsible for making recommendations to the Board on the remuneration of the Managing Director and the remuneration framework for other staff. The Non-Executive Directors are responsible for approving the framework for musicians' fees and the service fees of the Chair and Vice Chair.

Induction and Training of Directors

Newly appointed Directors receive a Directors' Handbook and briefings from the Chair, Managing Director and Heads of Department. Guidance on regulatory change and best practices are circulated or reported to Directors and briefings are provided in groups or one-to-one as required. Directors are encouraged to attend available training and sector updates.

Organisation and Management

The Royal Philharmonic Orchestra (RPO) is one of the world's leading symphony orchestras with a reputation for quality, versatility and diversity in the repertoire it performs, reaching audiences of over 300,000 annually. The RPO

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2022 (continued)

performs regularly in London, at its London residency, Cadogan Hall, at the Royal Albert Hall, where it is Associate Orchestra and the Royal Festival Hall and at its new home in Brent. During 2022, the RPO performed in Bridlington, Brighton, Cambridge, Crawley, Guildford, High Wycombe, Hull, Northampton, Reading and Warwick. These were fewer visits and locations than in a typical year. Overseas tours are an integral part of the RPOs usual performance calendar every year, although curtailed in 2022 due to the pandemic, with only the tour of the United States in January 2022 being feasible, due to travel restrictions.

RPO Ltd formed The Royal Philharmonic Concert Orchestra (RPCO) in 1987, which performs a broad programme of symphonic, light classical and popular music, working with internationally renowned classical and popular artists, in the UK and overseas. Prior to the COVID pandemic, the RPCO played to an estimated annual audience of over 200,000. In 2022, with no performances in the first quarter and then engagements re-building cautiously, total audience was around two thirds of a normal year.

RPO Resound is the RPO's community and education programme, which operates across the UK, supporting the Orchestra's residency programme. Working in partnership with the music education sector and charity partners, this comprehensive programme reaches the young and the old, the disadvantaged and those restricted through ill-health or disability. The RPO Resound programme has also been shown to increase the number of first time attendees at the Orchestra's concert performances.

RPO Ltd's management services are provided from its office in Clerkenwell, London. Key management of the orchestra are the Managing Director and Deputy Managing Director, who lead a senior management team. The heads of the four departments – Concerts Management, Business Development (incorporating marketing and development), Finance, and Community and Education, all report directly to the Managing Director, who in turn reports to the Board of Trustees. This team comprises experienced staff with a range of skillsets who continue to develop their ability to fulfil the Orchestra's objectives in all aspects of its work, whether delivering world-class performances or enabling the education and community work of RPO Resound.

Related Parties

The Royal Philharmonic Orchestra Trust is an independently controlled but connected charity registered with the Charity Commissioners for England and Wales (registration no. 232270). It was established on 9th November 1963 with the objective of the advancement of the musical education of mankind and in particular promoting, encouraging and supporting the practice and performance of orchestral music by the Royal Philharmonic Orchestra. The Royal Philharmonic Orchestra Trust has provided considerable support to the Orchestra over the years.

The principal asset of the Royal Philharmonic Orchestra Trust is a freehold property which is occupied by the administrative offices of the Orchestra. Rent of £108,000 has been charged by the Trust in 2022 and 2021, whereas in 2020, the Trust waived £78,945 rent and charged £29,055. At 5th April 2022, net assets in the unaudited accounts of the Royal Philharmonic Orchestra Trust were £732,781 (2021 - £625,758), which included cash of £282,775 (2021 - £178,033).

The American Friends of the Royal Philharmonic Orchestra ("American Friends") is a corporation registered in the United States District of Columbia, with a 501 (c) (3) charitable tax exempt status. The purposes of the organisation are to educate the public regarding classical music and to promote the educational efforts of the Royal Philharmonic Orchestra and similar classical music organisations in the United States. The Directors of the American Friends in the year were David Albright, Les Bider, Barry Bloom (President), Rick Chapman, Huw Davies (Vice President and

Report of the Trustees for the year ended 31 March 2022 (continued)

Secretary), Eileen Foley, James LoGatto, Harry Macklowe, James Mead (Treasurer), Michele Park and Robin Vince (resigned 1 March 2022).

In the year to 31 March 2022, the American Friends provided a donation of £183,371 to support the Orchestra's tour of the United States of America. In the previous year, the American Friends provided a donation of £37,985 to support a filmed concert in St Albans Cathedral of John Rutter's music conducted by the composer.

At 31 December 2021, net assets in the unaudited accounts of the American Friends were \$1,210,178 (2020 \$253,302), represented by cash of \$1,232,678 (2020 - \$261,977) and other net payables (2020– net payables).

Fundraising

The Royal Philharmonic Orchestra (RPO) is extremely grateful for the financial support that it receives from private benefactors, corporate sponsors and Trusts and Foundations. Together, these supporters help underpin the Orchestra's artistic objectives and outreach remit. The Development Department's strategy is based around securing Trust and Foundation grants and memberships and gifts through the following supporter groups:

- American Friends of the Royal Philharmonic Orchestra
- Music Director's Club
- Signature Corporate Partners
- Creative Benefactors
- Benefactors
- Chair Partners
- 1946 Club (Legacy Giving)
- RPO Club
- Young Professionals Club

Corporate partners include Bartlett Foundation, Boldfield, Chestertons, Elephant Communications, Calderwood Wealth Management, Harkness Roses, LG Signature, Lionside Ltd, Mann Partnership, Northern Trust, Red Carnation Hotels, SF Stefan Engineering and St James's Place.

The RPO is committed to fundraising best practice, is registered with the Fundraising Regulator and complies with data protection regulations. The Orchestra's Development Department maintains a considerate, unobtrusive approach to fundraising and does not undertake cold-calling or employ third parties to raise funds. The RPO enjoys very positive and enthusiastic relationships with its supporters who in turn introduce potential new benefactors and sponsors to the Orchestra. No complaints have been received and fundraising activity is reviewed quarterly by the Audit Committee.

Inclusion, Diversity and Equal Opportunities

The RPO seeks to offer diverse RPO and RPCO concert programmes and varied RPO Resound projects across the UK, including in areas of economic and social deprivation.

The Board approves an Inclusion and Diversity Action Plan each year. The broad aims of the Action Plan are to improve workplace inclusion, expand the diversity of recruits to the staff and Orchestra and to contribute to a diverse talent pipeline. The RPO's Inclusion and Diversity Working Group, a cross-organisation body comprising

Report of the Trustees for the year ended 31 March 2022 (continued)

musicians and staff has met four times in the year. The Working Group monitors progress on the Action Plan at each of its meetings and recommends improvements to inclusive practices within the RPO.

During the year, over 80% of the Members of the Orchestra, staff and Trustees have participated in Inclusion and Diversity training.

The gender balance on the Board at 31 March 2022 was 8 men and 5 women (prior year 8/4). The RPO senior leadership team at 31 March 2022 comprised 2 men and 3 women, whilst the overall gender balance across Members of the Orchestra was 42 men and 31 women (prior year 40/31) and across employees, was 13 men and 17 women (prior year 11/26).

Acknowledgements

The Trustees would like to express their appreciation and thanks to the people and organisations who support the Orchestra's wide-ranging programme of performances and outreach work. These include the Orchestra's President Mrs Foriel-Destezet, the John Lyons Foundation, Northern Trust, Cadogan Estates, Elephant Communications, St James's Place Foundation, the Garfield Weston Foundation, the Stavros Niarchos Foundation, the Dunhill Medical Trust, D'Oyly Carte Charitable Trust, Corporate and Individual Chair Partners, Members of the RPO Club and supporters of the American Friends of the RPO.

The Trustees also thank the Orchestra's musicians and staff for their commitment.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office as the company's auditors. A resolution to reappoint the firm as auditors will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the income and expenditure of the group 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements

Report of the Trustees for the year ended 31 March 2022 (continued)

comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Annual Report is approved by the Trustees of the charity. The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as Directors in company law of the Charity.

By order of the Trustees

A handwritten signature in black ink, appearing to read 'B. Cunningham', written in a cursive style.

Benjamin Cunningham
Chair
12 September 2022

Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company 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 charitable company'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 section of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 and form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

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 this fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Royal Philharmonic Orchestra Limited
Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)

Auditor's responsibility 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date: *15/09/2022*

Royal Philharmonic Orchestra Limited
Consolidated Statement of Financial Activities
For the year ended 31 March 2022

	Unrestricted Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income					
Donations, grants and legacies					
Arts Council England Grants	1,560,866	-	-	1,560,866	1,860,840
Education and Community Grants	-	-	160,164	160,164	106,405
Sponsorship and donations	555,212	155,302	154,356	864,870	442,832
Charitable Activities					
Box office, orchestra hire and fees	5,238,332	-	-	5,238,332	363,650
Other income	180,140	-	-	180,140	411,837
Investment income	435	1,839	-	2,274	1,098
Total income	7,534,985	157,141	314,520	8,006,646	3,186,662
Expenditure on:					
Raising funds	367,654	-	-	367,654	205,305
Charitable activities	7,552,196	70,350	323,916	7,946,462	3,374,213
Total expenditure	7,919,850	79,360	323,916	8,314,116	3,579,518
Net unrealised losses on investments	-	(9,010)	-	(9,010)	-
Net (expenditure) / income before taxation	(384,865)	77,781	(9,396)	(316,480)	(392,856)
Tax credit	596,511	-	-	596,511	14,710
Net movement in funds for the year	211,646	77,781	(9,396)	280,031	(378,146)
Total funds brought forward	2,875,814	329,717	242,999	3,448,530	3,826,676
Total funds carried forward	3,087,460	407,498	233,603	3,728,561	3,448,530

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account. There were no recognised gains and losses in the current or preceding financial year other than those dealt with in the Statement of Financial Activities. All income and expenditure relates to continuing activities.

The notes on pages 25 to 45 form part of these financial statements

Royal Philharmonic Orchestra Limited
Consolidated and Charity Balance Sheets
at 31 March 2022

	Note	Consolidated		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed Assets					
Tangible assets	14	231,601	277,120	231,601	277,120
Intangible assets	15	-	553	-	553
Investments	16	172,781	-	172,783	2
		404,382	266,673	404,384	277,675
Current Assets					
Debtors	17	1,211,947	216,781	1,209,461	213,747
Cash at bank and in hand		3,867,464	4,603,726	3,866,423	4,603,398
		5,079,411	4,820,507	5,075,884	4,817,145
Creditors : Amounts falling due within one year	18	(1,755,232)	(1,588,467)	(1,751,707)	(1,585,107)
Net Current Assets		3,324,179	3,232,040	3,324,177	3,232,038
Total Assets less Current Liabilities		3,728,561	3,509,713	3,728,561	3,826,676
Provisions for liabilities and charges	19	-	(61,183)	-	(61,183)
Net Assets	20	3,728,561	3,448,530	3,728,561	3,448,530
Funds					
Called up share capital	21	71,000	71,000	71,000	71,000
Unrestricted funds		3,016,460	2,804,814	3,016,460	2,804,814
Designated funds	22	407,498	329,717	407,498	329,717
Restricted funds	23	233,603	242,999	233,603	242,999
Total Funds	24	3,728,561	3,448,530	3,728,561	3,448,530

The notes on pages 25 to 45 form part of these financial statements.

Approved by the board and authorised for issue on 12 September 2022.



Benjamin Cunningham

Chair

Royal Philharmonic Orchestra Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2022

	Note	2022 £	2021 £
Net Cash provided by operating activities	a	(646,057)	1,067,115
Cash flows (to) / from investing activities			
Bank interest		435	1,098
Proceeds from the sale of property plant and equipment		-	625
Purchase of fixed asset investments		(75,000)	-
Purchase of property, plant and equipment		(15,640)	-
		(90,205)	1,723
Net cash (used in) / provided by investing activities		(90,205)	1,723
Change in cash and cash equivalents		(736,726)	1,068,838
Cash and cash equivalents:			
At the beginning of the year		4,603,726	3,534,888
At the end of the year		3,867,464	4,603,726

Cash and cash equivalents were all cash in hand or at bank at 31 March 2022 and 2021. The charity has no net debt and therefore no net debt note is presented.

a. Reconciliation of Net movement in funds to Net Cash provided by operating activities

	2022 £	2021 £
Net movement in funds	280,031	(378,146)
Depreciation charges	60,004	65,408
Amortisation of intangible assets	553	830
Investment income	(2,274)	(1,098)
Donations of fixed asset investments	(105,302)	-
Management fee charged against investments	350	-
Unrealised loss on investments	9,010	-
Loss / (Profit) on disposal of fixed assets	1,155	(603)
(Increase) / decrease in debtors	(995,166)	825,589
Increase in creditors	166,765	493,952
(Decrease) / increase in provisions for liabilities and charges	(61,183)	61,183
	(646,057)	1,067,115
Net cash provided by operating activities	(646,057)	1,067,115

1. Accounting policies

a. Scope of the Financial Statements

The financial statements of the Royal Philharmonic Orchestra Limited (RPO Ltd), present the consolidated financial statements of the RPO Ltd and its subsidiary RPO Promotions Ltd comprising the Group Statement of Financial Activities (SOFA), the Group and Parent Charity Balance Sheet and the Group and Parent Charity Statement of Cash Flows.

b. Basis of Consolidation

The group financial statements consolidate on a line by line basis, the financial statements of the charitable company RPO Ltd and its subsidiary RPO Promotions Ltd, made up to 31 March 2022.

c. Accounting Convention

The financial statements have been prepared in accordance with the United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

RPO Ltd is a public benefit entity for the purposes of FRS 102 and a registered charity. Its financial statements are therefore also prepared in accordance with the "Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102" (Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and under the historical cost convention as modified by the revaluation of investments, being measured at fair value through income and expenditure within the Statement of Financial Activities. The principal accounting policies are set out below and have been applied consistently throughout the year.

The financial statements are prepared in sterling, the functional currency of the charitable company and its subsidiary. Monetary amounts are rounded to the nearest pound.

c. Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Forecasts for the years ended 31 March 2023 and 2024 indicate that reserves will cover unavoidable outgoings throughout both years, with reductions in activity and cost being made if the Arts Council England National Portfolio Grant is not renewed from April 2023. The major outgoings of the company are event-related, including fees paid to self-employed orchestral musicians, soloists and conductors. These are not incurred unless events take place and therefore the company is able to reduce a significant proportion of costs in line with income, albeit at the expense of programming.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Accounting policies (continued)

Therefore the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for a period not less than twelve months from the date of signing these financial statements. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

d. Significant accounting estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

- Entitlement to donations and sponsorship may arise prior to, or after, amounts being received as cash. Judgement is therefore required to determine that entitlement conditions have been met.
- The music library is capitalised as a fixed asset and has not been depreciated because in the Trustees' judgement, it has retained its economic value at the end of each financial year.

e. Statement of financial activities

As the company is a registered charity it has adapted the Companies Act formats to reflect the special nature of the charity's activities.

Income

Income comprises box office receipts, hire of the Orchestra in respect of concerts, recordings, engagements and tours; grants, including Arts Council grants; sponsorship fees and advertising, excluding VAT. The income and result for the year are wholly attributable to the principal activities of the charity and its subsidiary.

The income of the charity includes the recharge of costs to its subsidiary, RPO Promotions Limited, which is eliminated on consolidation. Therefore the income of the charity is higher than the income of the group as explained in note 5.

Donations and legacies

Grants, donations (including legacies) and sponsorship are accounted for on a receivable basis and are credited to the Statement of Financial Activities when the conditions for receipt are met. Where grants are received for performances in future accounting periods, these are treated as deferred income.

Government grants

Government grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the associated costs for which the grant is intended to compensate. In 2021 this included £295,929 of Government assistance under the Coronavirus Job Retention Scheme (CJRS) relating to staff who were furloughed due to COVID. In 2022, income from the CJRS was £nil.

Government grants which are for wider purposes, such as the Arts Council England National Portfolio grant are recognised when received.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Accounting policies (continued)

Expenditure

Performance related costs consist of performers' fees, venue and other costs, including marketing, which are specific to arranging performances. Support costs have been allocated to activity cost categories on a basis consistent with the use of resources. These include indirect costs that have been apportioned on the basis of time estimated to have been spent by management in governing the charity. Governance costs include those costs incurred in the governance of the charity and are primarily associated with compliance with constitutional and statutory requirements.

Leases

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

Pensions

The charitable company operates a defined contribution workplace pension scheme. Contributions have been made in respect of eligible employees, either to this workplace scheme, or to employees' personal pension arrangements, unless employees have opted not to participate in any scheme. Musicians' fees include pension allowances which may be paid to members who have eligible personal pension arrangements. Contributions are charged to the Statement of Financial Activities on an accruals basis.

f. Tangible Fixed Assets

Fixed assets of £2,500 or more are capitalised and the cost is written off on a straight line basis over the expected useful lives of the assets concerned, except in the case of the library which is not depreciated because it has retained its economic value at the end of each year. The expected useful lives of the depreciated assets are as follows:

Concert equipment	4 years
Office fittings and equipment	5 years
Warehouse fittings and equipment	10 years
Motor vehicles	7 years
Computer equipment	3 years

g. Intangible Fixed Assets

Intangible fixed assets are amortised on a straight line basis over their estimated useful economic lives as follows:

Software	3 years
----------	---------

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable, then the carrying values of intangible fixed assets are reviewed for impairment.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Accounting policies (continued)

h. Fixed Asset investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their bid value at the balance sheet date without deduction of the estimated future selling costs.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

All gains and losses are taken to the income and expenditure section of the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and original cost. Unrealised gains and losses are calculated as the difference between the market value at the end of the year and opening market value, or purchase date if later. Realised and unrealised gains are not separated in the Statement of Financial Activities.

i. Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

j. Designated funds

Designated funds are those which have been applied or reserved by the Trustees for a specific purpose and are set out in note 22.

k. Restricted funds

Restricted funds are those which are used in accordance with restrictions specified by donors or which have been raised by the Charity for particular purposes. The purposes for which restricted funds are held are analysed in note 23.

l. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Accounting policies (continued)

m. Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 17 and 18 for the debtor and creditor notes.

n. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

2. Comparative Consolidated Statement of Financial Activities for the year to 31 March 2021

	Unrestricted Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income				
Donations, grants and legacies				
Arts Council England Grants	1,860,840	-	-	1,860,840
Grants for RPO Resound	-	-	106,405	106,405
Sponsorship and donations	360,308	-	82,524	442,832
Charitable Activities				
Box office, orchestra hire and fees	363,650	-	-	363,650
Other income	411,837	-	-	411,837
Investment income	1,098	-	-	1,098
Total income	2,997,733	-	188,929	3,186,662
Expenditure on:				
Raising funds	205,305	-	-	205,305
Charitable activities	3,233,674	-	140,539	3,374,213
Total expenditure	3,438,979	-	140,539	3,579,518
Net income before taxation	(441,246)	-	48,390	(392,856)
Tax credit	14,710	-	-	14,710
Transfers between funds	(304,717)	304,717	-	-
Net movement in funds for the year	(731,253)	304,717	48,390	(378,146)
Total funds brought forward	3,607,067	25,000	194,609	3,826,676
Total funds carried forward	2,875,814	329,717	242,999	3,448,530

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

3. Summary Financial Performance of the Parent Charity

	Note	<u>Total Funds 2022 £</u>	<u>Total Funds 2021 £</u>
Income			
Donations, grants and legacies			
Arts Council England Grant		1,560,866	1,860,840
Grants for RPO Resound		160,164	106,405
Sponsorship and donations		864,870	442,832
Charitable Activities			
Box office, orchestra hire and fees		5,238,332	363,650
Other income		180,140	411,837
Intercompany income		4,202,872	125,192
Investment income		2,274	1,098
Total income	5	<u>12,209,518</u>	<u>3,311,854</u>
Expenditure on:			
Raising funds		366,862	204,466
Charitable activities		<u>11,553,614</u>	<u>3,485,534</u>
Total expenditure		<u>11,920,476</u>	<u>3,690,000</u>
Net unrealised losses on investments		(9,010)	-
Net movement in funds in the year		280,031	(378,146)
Total funds brought forward		<u>3,448,530</u>	<u>3,826,676</u>
Total funds carried forward		<u>3,728,561</u>	<u>3,448,530</u>

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

4. Statement of Subsidiary's activities

RPO Promotions Limited is a wholly owned subsidiary of the Royal Philharmonic Orchestra Limited which is commissioned to produce certain RPO concerts which are eligible for orchestra tax relief.

The trading results of RPO Promotions Limited and its assets, liabilities and funds at the year-end are summarised below.

	2022	2021
	£	£
Turnover	3,613,045	117,198
Cost of Sales	<u>(3,771,182)</u>	<u>(106,733)</u>
Gross Loss	(158,137)	10,465
Administration Expenses	<u>(438,374)</u>	<u>(25,175)</u>
Operating Loss for the year	(596,511)	(14,710)
Taxation	<u>596,511</u>	<u>14,710</u>
Profit / (loss) for the year after Tax	<u>-</u>	<u>-</u>
Assets	596,609	15,038
(Liabilities)	<u>(596,607)</u>	<u>(15,036)</u>
Net Funds	<u>2</u>	<u>2</u>

5. Income Analysis

	By Source of Funds		By Location of Activity	
	2022	2021	2022	2021
	£	£	£	£
United Kingdom	6,107,449	2,952,919	6,250,051	3,186,662
Europe	436,287	60,490	329,097	-
USA	1,186,682	111,809	1,054,169	-
Other	229,460	61,444	373,329	-
	8,006,646	3,186,662	8,006,646	3,186,662
Intercompany income	4,202,872	125,192	4,202,872	125,192
Total Charity income	12,209,518	3,311,854	12,209,518	3,311,854
Less: intercompany income	(4,202,872)	(125,192)	(4,202,872)	(125,192)
Total Consolidated income	8,006,646	3,186,662	8,006,646	3,186,662

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

6. Expenditure Analysis

	Note	2022 £	2021 Restated £
Cost of raising funds			
Musicians' fees and associated costs		11,819	-
Venue costs		78,164	-
Travel related and other costs		3,306	-
Advertising and marketing costs		725	-
Support costs	7	273,640	205,305
Total cost of raising funds		367,654	205,305
Cost of charitable activities			
Musicians' fees and associated costs		4,544,293	1,141,684
Venue costs		341,990	108,148
Travel related and other costs		1,140,644	314,929
Advertising and marketing costs		147,749	1,498
Support costs	7	1,771,786	1,791,954
Total cost of charitable activities		7,946,462	3,374,213

The 2021 cost classification has been revised to include in Musicians' fees, travel and portage fees, which were previously included in travel related costs (2021 - £8,455).

7. Support costs

Support costs have been allocated to activities based on estimates of staff time or use of resource.

	Cost of raising funds £	Charitable £	Governance £	Total 2022 £
Staff and staff related costs	200,630	1,175,349	102,806	1,478,785
General office costs	23,236	294,555	5,294	323,085
Legal, professional and marketing costs	12,499	126,332	-	138,831
Finance and depreciation charges	5,031	78,819	-	83,850
Audit	-	-	20,875	20,875
	241,396	1,675,055	128,975	2,045,426
Allocation of governance support costs	32,244	96,731	(128,975)	-
Total support costs	273,640	1,771,786	-	2,045,426

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Support costs (continued)

	Cost of raising funds £	Charitable £	Governance £	Total 2021 £
Staff and staff related costs	144,207	1,141,529	80,341	1,366,077
General office costs	26,762	294,581	6,203	382,611
Legal, professional and marketing costs	3,051	91,997	-	95,048
Finance and depreciation charges	5,130	130,318	-	135,448
Audit	-	-	18,075	18,075
	179,150	1,713,490	104,619	1,997,259
Allocation of governance support costs	26,155	78,464	(104,619)	-
Total support costs	205,305	1,791,954	-	1,997,259

Staff and staff related costs includes salaries, national insurance, pension, training and recruitment.

8. Net income

Net income is stated after charging:

	2022 £	2021 £
Operating lease rentals	171,000	171,000
Auditor's remuneration for annual audit	20,875	18,075
Auditor's fees for taxation services	4,775	4,000
Depreciation of owned assets	60,004	65,408
Amortisation of intangible assets	553	830

9. Taxation

The Royal Philharmonic Orchestra Limited (RPO Ltd) is a registered charity and is thus exempt from tax on income and gains falling within part 11 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992, to the extent that these applied to its charitable objectives. No tax charges have arisen in the charity in either 2022 or 2021.

The subsidiary RPO Promotions Ltd has no taxable profits in 2022 or 2021. It was eligible to claim Orchestra Tax relief in 2022 of £596,511 (2021 - £14,710).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

10. Staff costs

	<u>2022</u>	<u>2021</u>
	£	£
Salaries	1,338,346	1,152,751
Social security costs	142,959	122,071
Pension costs	66,097	63,337
Redundancy payments	-	26,631
Other short term benefits	1,893	1,915
	<u>1,549,295</u>	<u>1,366,705</u>

The number of employees whose total employee benefits (excluding pension contributions but including benefits in kind) in excess of £60,000 were:

	<u>2022</u>	<u>2021</u>
	Number	Number
£60,000 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£150,001 - £160,000	1	-

The average number of people employed by the company during the year was as follows:

	<u>2022</u>	<u>2021</u>
	Number	Number
Concerts Management	12	12
Community and Education	4	3
Business Development	6	9
Management, Finance and Administration	5	5
Total	<u>27</u>	<u>29</u>

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

11. Key management

Key management is defined as the Board of Trustees (including the Managing Director) and the Deputy Managing Director. Including social security costs, benefits in kind and pension contributions, remuneration of key management was £321,580 (2021 - £243,817), comprising remuneration of the Managing Director, Deputy Managing Director, Chair and Vice Chair.

12. Directors' emoluments

Total directors' emoluments including benefits in kind and pension contributions, were £177,234 (2021 – £131,296). The only members of the Board who receive payment for their managerial and administrative services to the company, are the Chair, Vice Chair and Managing Director. The emoluments of the highest paid director fell within the range £150,001- £160,000 (2021 £120,001 - £130,000). Expenses reimbursed to the highest paid director in each year totalled £13,420 (2021 - £459) in respect of travelling and subsistence and office costs.

13. Transactions involving directors and other related parties

Directors – Orchestral performance fees

The directors who are playing members of the Orchestra receive performance fees on the same scale as those paid to other playing members, as permitted under the company's Articles of Association. The performance fees paid during the period in which they were directors are as follows:

	2022 £	2021 £
Charlotte Ansbergs	36,463	11,295
Benjamin Cunningham	36,482	15,005
Shana Douglas	43,765	14,044
Patrick Flanagan	33,049	10,463
Jonathan Hallett	22,353	11,062
Matthew Knight	35,414	7,785
Sali-Wyn Ryan	38,718	13,819
Elisabeth Varlow	19,139	-
	263,563	83,473

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Transactions involving Directors and other related parties (continued)

Directors – Other transactions

Directors made donations totalling £143,071 in the year (2021 - £9,775).

Loans to members of the Orchestra

The Board may approve loans to members of the Orchestra to further the purposes of the charity, generally for the purchase or repair of musical instruments. Interest is usually charged at 4% of the outstanding loan balance and repayments are made monthly. In the year to 31 March 2021, because the pandemic reduced Members' fees significantly, Members were not required to make repayments and interest was not charged. Repayments recommenced during the year to 31 March 2022

Loans during each year were:

Player	Loan Purpose	Original Loan £	Balance at		
			1 April 2020 £	31 Mar 2021 £	31 Mar 2022 £
K Ayling	Purchase of clarinets	5,000	-	-	4,472
T Milne	Purchase of viola	5,000	1,182	1,034	380
M Perry	Purchase of timpani	10,000	8,682	5,260	-
K Saunders	Purchase of horn	7,900	1,294	1,294	1,080
Total receivable			11,158	7,588	5,932

Royal Philharmonic Orchestra Trust

The Royal Philharmonic Orchestra Trust, an independently controlled, but connected charity, held a minority shareholding in RPO Ltd at the end of the financial year of 800 shares (2021: 700 shares). In addition, amounts receivable from the Trust at 31 March 2022 were £4,000 (2021 - £3,000).

American Friends of the Royal Philharmonic Orchestra

The American Friends of the Royal Philharmonic Orchestra (American Friends) is a charity registered in the United States of America, with charitable purposes similar to those of RPO Ltd. There was £5,862 receivable from the American Friends at 31 March 2022 (2021 - £2,182).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Transactions involving Directors and other related parties (continued)

Transactions between parent charity and subsidiary

The Royal Philharmonic Orchestra Limited commissioned its subsidiary RPO Promotions Limited to produce certain RPO concerts, for which a fee of £3,613,045 (2021 - £117,198) is payable by the Royal Philharmonic Orchestra Limited to its subsidiary and in respect of which production costs of £4,202,872 (2021 - £125,192) are receivable from the subsidiary.

The balance owed by RPO Promotions Limited to the parent charity at 31 March 2022 is £593,082 (2021 - £11,676), as set out in note 17.

14. Tangible Fixed assets

Consolidated and Charity

	Computer Equipment £	Motor Vehicles £	Library £	Concert Equipment £	Office and Warehouse Fittings and equipment £	Total £
Cost						
At 1 April 2021	70,982	310,690	46,889	141,529	41,628	611,718
Additions	11,189	-	-	4,451	-	15,640
Disposals	(4,444)	-	-	-	-	(4,444)
At 31 March 2022	77,727	310,690	46,889	145,980	41,628	622,914
Depreciation						
At 1 April 2021	60,278	103,563	-	135,322	35,435	334,598
Charge in the year	9,953	44,385	-	3,309	3,457	60,004
Disposals	(3,289)	-	-	-	-	(3,289)
At 31 March 2022	65,842	147,948	-	138,631	38,892	391,313
Net Book Value						
At 31 March 2022	11,885	162,742	46,889	7,249	2,736	231,601
At 31 March 2021	10,704	207,127	46,889	6,207	6,193	277,120

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

15. Intangible fixed assets

Consolidated and Charity

	Total £
Cost	
At 1 April 2021 and 31 March 2022	3,320
Disposal	(3,320)
31 March 2022	-
Depreciation	
At 1 April 2021	2,767
Charge in the year	553
Disposal	(3,320)
At 31 March 2022	-
Net Book Value	
At 31 March 2022	-
At 31 March 2021	553

16. Fixed asset investments

16.1 Fixed asset investments – Consolidated and Charity

	Consolidated		Charity	
	2022	2021	2022	2021
	£	£	£	£
Investment Fund at market value	172,781	-	172,781	-
Shares in group company at cost	-	-	2	2
Total Fixed Asset Investments	172,781	-	172,783	2

The Investment fund comprises publicly tradeable shares and investment funds, held for long term growth. There were no investment fund assets at 1 April 2020 or 31 March 2021.

The charitable company has a wholly owned subsidiary, RPO Promotions Limited, registered in England and Wales. The aggregate capital and reserves of RPO Promotions Limited amounted to £2 at 31 March 2022 and 2021. The activities of RPO Promotions Limited are explained in note 4.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Fixed asset investments (continued)

16.2 Movement in Fixed Asset Investments

	2022 £
Market value at 1 April	-
Share donation	105,302
Less:	
Disposal proceeds	(43,256)
Add:	
Acquisitions at cost	118,256
Net cash reinvested	1,489
Net loss on revaluation	(9,010)
	172,781
Market value at 31 March	172,781
Historic cost at 31 March	181,791

16.3 Fixed Asset Investment portfolio by geography

	2022 £
Investment assets in the UK	100,400
Investment assets outside the UK	72,381
	172,781
Total Market value at 31 March	172,781

16.3 Fixed Asset Investment portfolio by asset class

	2022 £
Fixed interest bonds	9,847
UK Equities	24,823
Overseas Equities	72,381
Property and alternative assets	9,464
Cash	56,266
	172,781
Total Market value at 31 March	172,781

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

17. Debtors

	Consolidated		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	440,186	50,596	440,186	50,596
Current tax recoverable	595,568	14,710	-	-
Amounts owed by group undertakings	-	-	593,082	11,676
Social security and other taxes	-	9,751	-	9,751
Other debtors	19,233	13,080	19,233	13,080
Prepayments and accrued income	156,960	128,644	156,960	128,644
Total Debtors	1,211,947	216,781	1,209,461	213,747

18. Creditors: Amounts falling due within one year

	Consolidated		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	93,408	84,746	93,408	84,746
Musicians' fees	459,120	205,993	459,120	205,993
Social security and other taxes	93,668	36,487	93,668	36,487
Other creditors	39,522	42,250	39,522	42,250
Accruals	191,441	152,969	187,916	149,609
Billings in advance	878,073	1,066,022	878,073	1,066,022
	1,755,232	1,588,467	1,751,707	1,585,107

Other creditors includes £5,290 (2021 - £3,610) representing cash held on behalf of the Trustees of the Royal Philharmonic Orchestra Sickness and Benevolent Fund.

19. Provisions for liabilities and charges

	2022	2021
	£	£
At 1 April 2021 / 2022	61,183	-
Additions	-	61,183
Utilisation	(59,004)	-
Released	(2,179)	-
At 31 March 2022 / 2021	-	61,183

The provision represents the cost of repairs to the Orchestra's administrative offices, which were committed at the 31 March 2021 and utilised in the year to 31 March 2022.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

20. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
As at 31 March 2022				
Fixed assets	404,382	-	-	404,382
Current assets	4,435,477	407,498	236,436	5,079,411
Current liabilities	(1,752,399)	-	(2,833)	(1,755,232)
	3,087,460	407,498	233,603	3,728,561
As at 31 March 2021				
Fixed assets	277,673	-	-	277,673
Current assets	4,186,254	329,717	243,353	4,820,507
Current liabilities	(1,588,113)	-	(354)	(1,588,467)
Provisions for liabilities and charges	(61,183)	-	-	(61,183)
	2,875,814	329,717	242,999	3,509,713

21. Called up share capital

	2022 £	Authorised 2021 £	Allotted and Fully Paid 2022 £	2021 £
Ordinary shares of £10 each	100,000	100,000	71,000	71,000

The company's Memorandum of Association prohibits the payment of dividends, return of capital or distribution of surplus funds to the shareholders in the event of the winding up of the company. All ordinary shares carry full voting rights.

22. Designated funds

	2022 £	2021 £
Residency development fund	220,000	250,000
Concert fund	-	40,000
Dilapidations fund	14,717	14,717
Investment fund	172,781	25,000
	407,498	329,717

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

Designated funds (continued)

The residency development fund is to invest in artistic programming and organisational systems and resources to develop residencies, including the move of the administrative office to Wembley Park. The dilapidations provision relates to the current administrative office of the RPO. The concert fund was to support recorded concerts undertaken in April 2022. The investment fund is the shares and units in investment funds held for long-term growth.

23. Restricted funds

	Community and Education projects (Restated) £	Orchestral performances £	Total Funds £
Year to 31 March 2022			
Balance at 1 April 2021	242,999	-	242,999
Received during the year:			
Trusts, foundations and local authorities	100,914	63,634	164,548
Donations/sponsorship	59,250	90,722	149,972
Expenditure during the year	(169,560)	(154,356)	(323,916)
Balance at 31 March 2022	233,603	-	233,603
Year to 31 March 2021			
Balance at 1 April 2020	194,609	-	194,609
Received during the year:			
Trusts, foundations and local authorities	50,824	2,000	52,824
Donations/sponsorship	55,581	80,524	136,105
Expenditure during the year	(58,015)	(82,524)	(140,539)
Balance at 31 March 2021	242,999	-	242,999

Community and Education projects cover a range of participatory activities in the community, public spaces and health settings and with under-represented and hard to reach groups, schools, families and patients. The Prior year balances and movements have been re-stated to aggregate reserves previously described as Fundraising Projects, with Community and Education project reserves. Of the prior year comparatives for Community and Education reserves, £84,043 of the balance at 1 April 2020, £6,140 of the expenditure during the year and £77,903 of the balance at 31 March 2021, were previously described as Fundraising projects. These funds arose from the 2016 70th anniversary appeal to raise funds for Community and Education programmes.

Other projects during both years were concerts supported by restricted donations.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

24. Reconciliation of movement in funds

	Total Unrestricted Funds				Total Funds
	Called-up Share Capital	Other Unrestricted Funds	Designated Funds	Restricted Funds	
	£	£	£	£	£
Year to 31 March 2022					
Balance at 1 April 2021	71,000	2,804,814	329,717	242,999	3,448,530
Income	-	7,534,985	157,141	314,520	8,006,646
Expenditure	-	(7,919,850)	(70,350)	(323,916)	(8,314,116)
Net unrealised losses on investments	-	-	(9,010)	-	(9,010)
Tax credit	-	596,511	-	-	596,511
Balance at 31 March 2022	71,000	3,016,460	407,498	233,603	3,728,561
Year to 31 March 2021					
Balance at 1 April 2020	71,000	3,536,067	25,000	194,609	3,826,676
Income	-	2,997,733	-	188,929	3,186,662
Expenditure	-	(3,438,979)	-	(140,539)	(3,579,518)
Tax credit	-	14,710	-	-	14,710
Transfers between funds	-	(304,717)	304,717	-	-
Balance at 31 March 2021	71,000	2,804,814	329,717	242,999	3,448,530

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2022 (continued)

25. Operating lease commitments

The company has annual operating lease commitments as follows:

	Land and Buildings 2022 £	Land and Buildings 2021 £
Commitments arising in:		
Less than one year	108,000	168,550
Two to five years	189,000	297,000
	297,000	465,550

The leases relate to the company's premises in London, UK: a warehouse in Greenford and offices in Clerkenwell.

The lease for the warehouse in Greenford commenced in June 2012 for a term of ten years and expired in June 2022.

The company has leased its premises in Clerkenwell since August 1986. The lease is expected to end when the administrative office is moved to Wembley Park, which is currently expected to be December 2024.

26. Capital Commitments

The company had no capital commitments at 31 March 2022 or 31 March 2021.

ROYAL PHILHARMONIC ORCHESTRA LIMITED

England & Wales - Charity number 244533

Accounts



ROYAL PHILHARMONIC ORCHESTRA LIMITED

Company Number 00763836

Registered Charity Number 244533

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

Royal Philharmonic Orchestra Limited
Consolidated Report and Financial Statements

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Company Information

Patron

HRH The Prince of Wales

Music Director Designate

Vasily Petrenko

President

Aline Foriel-Destezet

Directors

Benjamin Cunningham (Chair)

Matthew Knight (Vice Chair)

James Williams (Managing Director)

Charlotte Ansbergs

Elizabeth Case (nee Kistruck)

Shana Douglas

Charles Fairweather

Patrick Flanagan

Jonathan Hallett

Phillip Keller

Peter Lumley

Sali-Wyn Ryan

Company Secretary

Ann Firth

Independent Auditor

Moore Kingston Smith LLP

Devonshire House

60 Goswell Road

London EC1M 7AD

Bankers

Bank of Scotland

Pentland House

8 Lochside Avenue

Edinburgh EH12 9DJ

National Westminster Bank

Regent Street Branch

250 Regent Street

London W1B 3BN

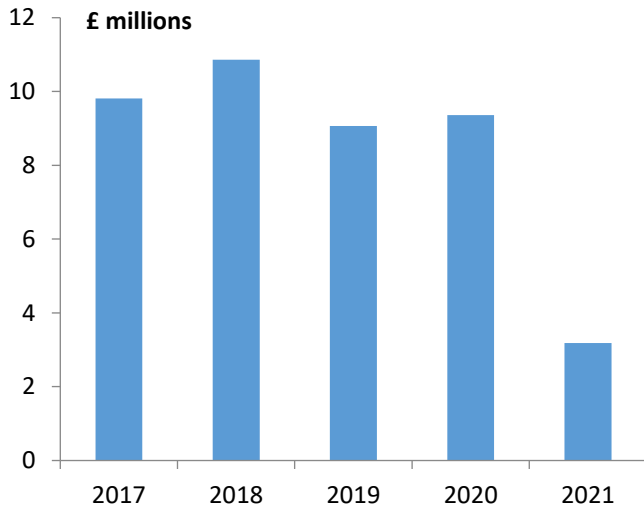
Registered Office

16 Clerkenwell Green

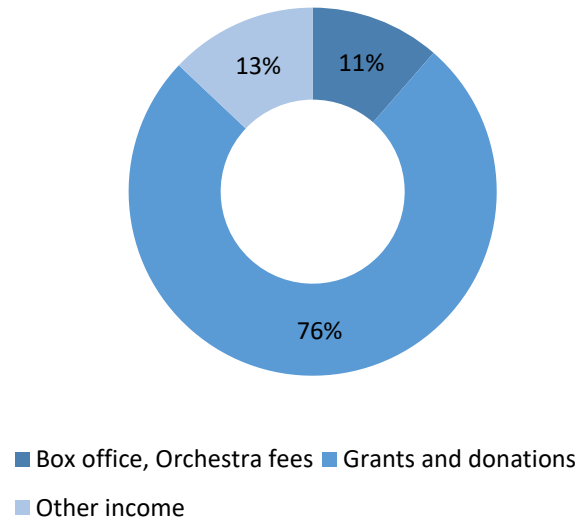
London EC1R 0QT

Financial Headlines Charts

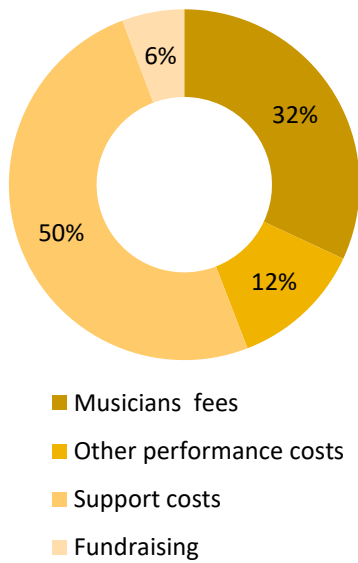
Five year income trend



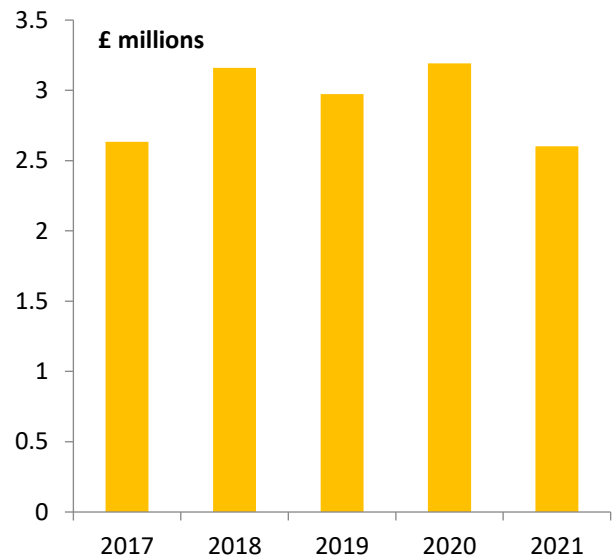
2021 Income



2021 Costs



Five year Free Reserves



Report of the Trustees for the year ended 31 March 2021

The Trustees, who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of the Companies Act 2006, present their annual report and the consolidated financial statements of the group for the year ended 31 March 2021. These comply with the Companies Act 2006 and the Charities Act 2011. The Trustees have also adopted the provisions of 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, issued in July 2014 and updated in February 2016 and October 2018. The Trustees, in preparing the strategic report, have complied with s414C of the Companies Act 2006.

References to '2021' and '2020' in this report mean the years ended 31 March 2021 and 31 March 2020, respectively.

The COVID-19 pandemic has impacted the company's operations from mid-March 2020. These impacts are explained in the Strategic report under the Activities and Performance section on page 4 and the Principal Risks and Uncertainties section on page 9.

STRATEGIC REPORT

Objects

The Royal Philharmonic Orchestra Limited is established to promote, maintain and advance education, particularly musical education and to encourage the arts. The Orchestra continues to be totally committed to its twin objectives of making music of the highest quality and reaching the widest possible audience. The Orchestra plays an important role in enriching people's lives whilst striving to further its charitable purposes for the public benefit, both in the concert hall and in the community.

Public Benefit

The Royal Philharmonic Orchestra and Royal Philharmonic Concert Orchestra demonstrate their reach across the public at large through the diversity of orchestral music performed and the numerous locations in which they appear. In addition, a majority of Royal Philharmonic Orchestra concerts in the United Kingdom (including London), involve direct engagement with the public or have a learning or enrichment activity attached to them, such as an open rehearsal or a music making workshop. The Orchestra's programme also features work with groups that may not easily be able to access musical experiences such as the visually impaired, children with special educational needs, prisoners and refugees.

The Orchestra works with schools and universities in the United Kingdom to deliver part of their musical education curriculum. It has also formed partnerships with orchestras and institutions outside the United Kingdom to share community and education outreach expertise, enabling those orchestras in the future to be promoters of musical education and the arts, for the benefit of the public in their localities. Musical teaching professional development is provided each year, for members of the Orchestra, teachers in the education sector and workshop leaders.

The Orchestra also works in the health sector, in stroke rehabilitation and mental health services, harnessing the power of music to support improvements in health and wellbeing. Positive impact in this area is reported by participants. The stroke rehabilitation programme, STROKESTRA[®], is being clinically evaluated which will provide objective measurement of the effects.

Report of the Trustees for the year ended 31 March 2021 (continued)

Operating at the highest professional artistic levels, the Orchestra is able to develop the musical talents of orchestral musicians, soloists and conductors and regularly features a diverse range of young and emerging artists in its programmes.

The Orchestra's usual extensive live performance programme, has been derailed in 2021 by COVID-19. However, highlights of the year reported on elsewhere in this report still demonstrate the public benefit of activities. The Trustees can therefore confirm that the Royal Philharmonic Orchestra Limited has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission of England and Wales.

Vision, Mission and Values

The vision, mission and values of the RPO have been drawn from strategic planning and dialogue involving the perspectives of the Orchestra membership, staff, audiences and partners and are at the heart of the 2019 to 2022 Business Plan:

Vision

The Royal Philharmonic Orchestra aspires to:

- be an orchestra for the modern world, unafraid to push boundaries
- place orchestral music at the heart of contemporary society, deepening engagement with communities and creative partners
- be a respected cultural ambassador locally, nationally and internationally

Mission

The Royal Philharmonic Orchestra's mission is to enrich lives through orchestral experiences that are uncompromising in their excellence and inclusive in their appeal.

Values

- Excellence – we strive to achieve ambitious goals across our organisation
- Collaboration – in partnership, we achieve more together
- Inclusivity – great orchestral experiences must be accessible to all
- Resilience – our versatility is key to our success
- Responsibility – the talents of our musicians must be used for the benefit of everyone
- Passion – the driving force within the RPO

Activities and performance

Royal Philharmonic Orchestra (RPO)

Throughout the year to 31 March 2021, COVID-19 and the ensuing public health and travel restrictions have curtailed the normal activities of the Orchestra. For most months of the year, concert halls were closed and in periods of time when some were open to the public, audience sizes and orchestra strength were severely cut by social distancing requirements. Whereas in a typical year, the Orchestra would perform some 160 concerts and visit around 30 towns and cities around the UK, only nine public concerts took place, of which six were in London. No international touring was able to take place.

Report of the Trustees for the year ended 31 March 2021 (continued)

The Orchestra kept alive its touring offer to residencies and venue partners around the country, but despite strenuous efforts, without financial certainty and confidence that a wider programme of venue events was possible, most partners declined, at least until later in 2021. The majority of concert performances taking place in the year, were filmed events for later online streaming, made possible thanks to the RPO being awarded a Culture Recovery Fund grant. 16 performances were recorded and streamed online in the year, with a further 13 recordings produced to be streamed later in 2021. The RPO has played a significant role throughout 2021, representing the sector on various Government working groups to develop COVID-safe protocols and guidelines to allow the return of live performances and recordings.

Digital productions have enabled the Orchestra's music to reach audiences that might not usually attend an orchestral performance extending across the United Kingdom and overseas. These included performances with the RPO's Music Director Designate Vasily Petrenko, conducting a range of repertoire including Beethoven, Brahms, Ibert, Poulenc, Shostakovich, Stravinsky and Villa-Lobos and partnering with prestigious soloists including Nicola Benedetti and Jess Gillam. These included a joint concert between the Royal Philharmonic Orchestra, conducted by Vasily Petrenko and the China NCPA Orchestra, conducted by Lu Jia each performing a contemporary piece of the other's national culture within the concert. The China NCPA performed the Chinese premiere of *Coalescence* by Dani Howard, whilst the RPO performed *L'Eloignement for String Orchestra* by Qigang Chen. Restrictions imposed due to social distancing resulted in smaller ensemble 'Spotlight' projects, and gave rise to an opportunity to programme a more diverse range of music featuring under-represented composers such as Valerie Coleman, George Walker, Chevalier de St-Georges and Germaine Tailleferre.

At the start of the year, the Orchestra leapt to producing *#RPOAtHome* performances, led by the creativity of the Members of the Orchestra, performing individually and in groups. Britten's *Young Person's Guide to the Orchestra*, conducted and introduced by Alexander Shelley and filmed and produced by Orchestra Members, was a particular success and a novelty amongst other online music offerings. Launched in August 2020, it has been well received by young people and schools and shared in China via Beijing Forum for the Performing Arts.

In October 2020, the Orchestra recorded a performance of John Rutter's *Christmas Celebration* in St Alban's Cathedral, conducted by the composer with the soloists Melanie Marshall, Roderick Williams and VOCES8 with the BBC Young Chorister of 2020, Alexander Olleson. The film, launched leading up to Christmas 2020, was made possible through a generous donation received from the American Friends of the Royal Philharmonic Orchestra and sold over 6,500 online tickets.

Ending the year, March 2021 saw the Orchestra perform with the distinguished sarod player, Ustad Wajahat Khan. This collaboration is expected to be released online later in 2021.

The Orchestra was thrilled to be the first orchestra to return to the recording studio in June 2020 after the United Kingdom's first national lockdown, with a recording with the jazz artist Melanie Gardot. This was one of 14 recording projects in the year, less than half the usual annual level. Sessions included recordings with Mark Bebbington and Jae Hyuck Cho as well as music by Peter Grant, Howard Carpendale and Jonathan Antoine.

Royal Philharmonic Concert Orchestra (RPCO)

The RPCO performs when engaged by promoters and venues and does not take box office risk or receive any subsidy. During the pandemic and associated UK lockdowns and travel restrictions, engagements were not

Report of the Trustees for the year ended 31 March 2021 (continued)

financially viable for promoters and the RPCO did not perform during the year to 31 March 2021. In a typical year, the RPCO would perform around 50 concerts in the UK and abroad to a total audience of 150,000.

RPO Resound (Community and Education programme)

As a result of the pandemic, the Orchestra's Community and Education arm RPO Resound, switched to digital delivery of workshops and performances, for most of the year. This entailed a rapid learning curve in digital collaboration and audio and film recording techniques for the RPO Resound staff team, musicians and music leaders. In a typical year, RPO Resound would work around the United Kingdom at the Orchestra's regional residencies and within schools and community locations as well as undertaking projects abroad. Whilst travel to participants and communities was not possible, switching to digital delivery enabled projects to reach new areas of the country and additional community groups. The programme has also supported young people with outlets for musical expression and development and social interaction in this particularly difficult year.

During calendar year 2020, 8,000 Brent school children and young members of Brent Music Service orchestras worked with members of the Royal Philharmonic Orchestra, the composer and music leader James Redwood and the poet Momtaza Mehri to write an anthem, celebrating the borough's year as the London Mayor's London Borough of Culture 2020. Replacing a planned public performance, the final stage of the creative process involved young musicians and choir members taking part in digital workshops to create a filmed performance of *Anthem for Brent 2020*.

Beginning in January 2021, RPO Resound partnered with Orchestras Live on its inclusive youth ensemble project *Share Sound*, working with two of the six participating Music Service areas, in Norfolk and Cumbria. The digital approach enables young and professional musicians to meet, create, rehearse and perform, despite the pandemic restrictions. The culmination event will enable young musicians from six Music Service areas to meet virtually and perform together in July 2021.

Continuing the *Lullaby Project*, in November and December 2020, the Royal Philharmonic Orchestra and Irene Taylor Trust worked with six parents in Ipswich at risk of homelessness, to produce lullabies for their children. The parents worked one-on-one with musicians to devise their songs, which were then arranged by a professional composer and performed by an RPO sextet and vocalist. Parents and their children joined livestream rehearsals of their songs to develop the final creative before they were professionally recorded. Family music workshops were also run with Pimlico Toy Library. These were delivered by live stream in July 2020 with Orchestra musicians performing from St James Church Clerkenwell, to families across Westminster.

The Orchestra's STROKESTRA® stroke rehabilitation project in Hull was held back at the start of the pandemic, but was also converted to an online programme. This enabled the programme to reach new aphasia groups across the UK. The STROKESTRA® at Home music-based activity videos continue to be available for use at home or in group settings.

RPO Resound continued its partnership with the Royal Society for Blind Children, working with visually impaired young Londoners. The project, supported by St James Place Foundation, was originally planned to culminate in a live orchestrated performance at the Foundation Gala at the Royal Albert Hall. Instead, it became the first RPO Resound online workshop project for visually impaired young people. In workshops held in August 2020, the young

Report of the Trustees for the year ended 31 March 2021 (continued)

musicians created and recorded music which was woven together to produce a video, *Hopes and Dreams*, in September 2020.

Marketing, Press & PR

The Orchestra's engagement with the public through its website and social media has been growing over the last few years, but these digital channels truly dominated marketing and public interactions in the year to 31 March 2021. In the initial months of the COVID-19 lockdown in the United Kingdom, visits to the website trebled and social media followers increased seven-fold.

Novel resources made available on the website included the RPO's own versions of Top Trumps; Orchestral Scores and Composer Scores. At home, the Orchestra Members offered "Buddy phone calls" to Orchestra supporters on request. These provided conversation, music and personal insights into the musical world, which was warmly welcomed by those taking up the offer.

The RPO's streamed performances have provided a mix of ticketed and free online events, with free streams making up the majority, which was possible with the support of the Culture Recovery Fund. 2021 was the first year that the Orchestra has used a digital ticketing platform for online events, with £10 tickets marketed alongside the opportunity to donate to the Orchestra's work.

The RPO achieved an array of media coverage across the year, including radio interviews, reports on the RPO's consumer research into aspects of orchestral music and BBC coverage of the Orchestra being the first artists to return to Abbey Road studios, in June 2021.

Impact and Relevance

Research undertaken by the RPO across the year, summarised in the *RPO Insights report 2020*, recorded the vital role music has played across the past year in supporting people's mental health and wellbeing, as well as growing interest in listening to orchestral music and interest in learning a musical instrument during the pandemic. 51% of the United Kingdom population were found to have listened to orchestral music during the lockdown, rising to 57% of under 35s. 71% of listeners of orchestral music cited tangible and lasting positive impacts on their mood and well-being. The RPO also contributed to a joint report with the BPI and Deezer (Classical Revival in 2020) on the growth in streaming classical music, which has seen a 17% year on year increase and streamers under 35 accounting for 69% of classical music played globally.

The RPO has sought to be accessible to new and existing audiences alike. Returning to the concert hall whenever possible during the pandemic, concerts have featured the musicians and conductors talking about their music making and the context of the music. Peaks of interest in plays of *#RPOAtHome* and streamed concerts has been seen where musicians talk as well as play.

The Orchestra has also taken music out of the concert hall. At Wembley Park in September 2020, 38 RPO musicians performed across the estate sparking interest in orchestral music as well as entertaining the public. RPO Resound continued its long running relationships in Brent culminating this year in the *Anthem for Brent* and the research and

Report of the Trustees for the year ended 31 March 2021 (continued)

concept design for a cross-arts programme at Wembley Park took place in the year, pointing to a sustained and deep involvement in the cultural life of the area.

Financial Review

The results for the year to 31 March 2021 and the preceding financial year are set out in the Consolidated Statement of Financial Activities on page 21.

Total group income in the year reduced by two thirds to £3,186,662 (2020 - £9,356,729) due to the impact of the COVID-19 pandemic on performances. Excluding additional public support in the year, through the Culture Recovery Fund and Coronavirus Job Retention Scheme, income reduced by 79%. 12% (2020 – 80%) of the income for the year is performance income (comprising box office receipts, orchestra fees and hire), 58% (2020 – 10%) Arts Council England funding, 17% (2020 - 8%) other grants, donations and sponsorship and 13% (2020 - 2%) other income.

As a result of the pandemic, the Royal Philharmonic Orchestra lost 100% of overseas tour income, RPCO fees and income from residencies outside London. Other performance income reduced by 91%, with a fraction of concerts, recordings and workshops able to go ahead and then at a reduced scale, with social distancing of musicians and audiences prevailing.

Arts Council England awarded a 1.84% inflationary increase in its core funding grant to the Orchestra for the year. The remaining 56% increase in Arts Council England funding was due to a Culture Recovery Fund award of which £897,032 has been recognised in the year.

Other grants and sponsorship represent a higher proportion of income in 2021 compared to the previous year, only because earned income has so drastically reduced. Compared to 2020, other grants and sponsorship have reduced by 32% to £549,237. Retaining the support of corporate donors and a growing range of donations from individuals, including online giving, donated ticket refunds as well as larger donations, have been hugely encouraging. However, severe constraints on the performances, recordings and outreach workshops that the Orchestra could undertake in the year due to the public health restrictions, have come with limitations on the opportunities to seek and utilise grants and other fundraising.

The £217,598 increase in other income is due to Coronavirus Job Retention Scheme grants of £295,929 (2020 – nil), offset by decreases in royalties and licensing income and incomes usually associated with events, such as CD sales and subscriptions.

Expenditure in 2021 was £3,579,518, a £6,197,705 or 63% decrease over 2020. The scale and causes of the reduction are in line with the reduction in income. There were no opportunities to hold supporter engagement events and costs associated with managing these and other fundraising activities were therefore not incurred, resulting in the cost of raising funds reducing by 19% compared to the previous year. Expenditure on the charitable activities of performance and outreach, which account for 94% of expenditure, reduced by 65%. This was achieved at the cost of far fewer performances and workshops and significantly, restructuring the administrative team, seeing 20% of staff leave the organisation and staff taking pay reductions and periods of furlough.

Net expenditure before taxation for the year was a £392,856 deficit. With few orchestral events in front of a public audience qualifying for an Orchestra tax relief credit, this deficit was only improved to £378,146 after tax relief. By

Report of the Trustees for the year ended 31 March 2021 (continued)

contrast, in 2020 net expenditure before taxation was a £420,494 deficit, but £618,016 Orchestra tax relief converted this to a net result after tax of a £197,522 surplus.

Reserves

There have been net additions to restricted funds in 2021 of £48,389 (2020 - £16,176) primarily because it was not feasible to deliver some projects given COVID restrictions.

Designated reserves of £329,717 (2020 - £25,000) comprise a £250,000 residency development fund, a property dilapidations fund of £14,717, a concert fund of £40,000 and the £25,000 seed investment for an endowment fund brought forward from 2020. The residency development fund will be used to invest in artistic programming and organisational systems and resources to develop residencies, including the move of the administrative office to Wembley Park. The dilapidations fund relates to the current administrative office of the RPO. The concert fund was made possible by a donation and has been utilised in April 2021 to support recorded concerts conducted by the Orchestra's Music Director Designate, Vasily Petrenko with the pianists Stephen Hough and Paul Lewis.

The RPO's reserves policy is to hold minimum free reserves (defined as unrestricted reserves excluding fixed assets and share capital) at a level equivalent to three months unrestricted expenditure and no less than £2 million. Free reserves are held to enable the RPO to meet commitments as they fall due, to protect against financial risks which may crystallise (largely factors arising from the exposure to variable income levels and cost commitments and income diverging) and to finance investments and improvements which go beyond normal annual spend.

At 31 March 2021, free reserves, stood at £2,527,141 (2020 - £3,192,134), equating to three months (2020 - three and a half months) budgeted unrestricted expenditure.

Future Plans

In April 2021, the Royal Philharmonic Orchestra was delighted to announce that HRH The Prince of Wales had accepted an invitation to become the Orchestra's Patron. The Prince of Wales has a life-long association with the Arts. During the pandemic, His Royal Highness spoke about the importance of protecting the Arts, stressing their enormous significance to life in the United Kingdom and to the economy.

In August 2021, Vasily Petrenko will take up his position as Music Director of the RPO. The Orchestra plans a growing number of performances and tours with its new Music Director, including a classical season at the Royal Albert Hall, where it holds the title of Associate Orchestra. The RPO will continue with its commitment to work with the finest artists in the world, thereby attracting and retaining the most talented orchestral musicians.

The Orchestra's 75th anniversary will be celebrated in the autumn, providing an opportunity to communicate the purpose of the RPO and to promote the inspiration and excitement of orchestral music, which can be diverse and enjoyed by everyone.

The forthcoming financial year to March 2022 is expected to remain challenging, with COVID-19 disrupting plans and the implications of BREXIT on touring and recruitment yet to be fully tested. Nevertheless, the Orchestra plans to retain the core elements of its work: international touring, a strong London concert season and a UK regional touring programme all sitting alongside Community and Education outreach. The RPO is looking forward to

Report of the Trustees for the year ended 31 March 2021 (continued)

deepening its presence in the borough of Brent, London with a multi-arts and community-led project at Wembley Park in September 2021, in collaboration with local artists and young people.

During the year to March 2022, the RPO will develop its Strategic Plan for the five years April 2022 to March 2027 and define Year two of its Inclusion and Diversity Plan. The RPO's future plans will respond and contribute to Arts Council England's four investment principles at the heart of its ten-year *Let's Create Strategy*: Inclusivity and Relevance, Ambition and Quality, Dynamism and Environmental Responsibility.

Principal Risks and Uncertainties

The Trustees have established procedures for considering the significant risks to which the company is exposed and the measures to mitigate the impact of those risks. These procedures include tasking the Audit Committee to review the overall risk profile of the Orchestra, the mitigating controls currently in place and additional actions proposed for the next twelve months; a review which is generally undertaken twice a year. In addition, during 2021, the Board reviewed risks arising from the COVID-19 pandemic and the risks arising from the departure of the UK from the European Union.

The risk of a lean schedule of performances has been recognised for many years and the Orchestra's management has successfully mitigated this by diversifying the work of the Orchestra and its income sources. However, the COVID-19 pandemic and the consequent shut-down of performance venues and recording studios in 2021 was unprecedented in its scale. The earned income which in typical years makes up 90% of the Orchestra's income, ceased almost entirely, necessitating an application to the Culture Recovery Fund. Measures taken to survive the pandemic also included staff redundancies as well as claiming the UK government furlough grant in respect of staff temporarily laid off and other cost savings. Self-employed musicians have claimed UK government income-support grants, where they are eligible to do so and the Orchestra has introduced minimum fee schemes during the year, particularly for Members who are not eligible for UK government income support. These measures will continue to be necessary beyond the financial year end, as venue and travel restrictions remain in place.

During 2021, the RPO worked to sustain a portfolio of residencies, by, for example, taking small-scale performances and new offerings out into the community, but few residencies were ready to invite performers again before June 2021 and only then with financial underwriting from the Culture Recovery Fund. The dates from which venues can operate at full capacity and international tours can take place remain very uncertain. Commercial promoters and festivals are unable to take the risk of financial commitments and further postponements and cancellations remain probable throughout 2022.

The departure of the UK from the European Union risks increasing the costs of European touring to the point that it becomes unviable. The additional costs include visa and work permit requirements, social security taxes which may be levied on UK performers touring Europe and more complex logistics involved in transporting instruments which may involve additional time (and therefore cost) and limit the number of concerts in a tour. These risks have not been tested during 2021 because the pandemic has curtailed the RPO's European tours to date. The RPO is working with the Association of British Orchestras and government to ensure that commitments made as far ahead as 2023 with European partners and venues can be maintained.

Report of the Trustees for the year ended 31 March 2021 (continued)

Going Concern

The Orchestra's Business Plan for the year to 31 March 2022 envisaged three phases across the year. The first quarter has seen a programme of concerts and outreach workshops sustained by a second Culture Recovery Fund award together with the use of some reserves.

July to August 2021 was expected to be a period of commercial engagements and recordings, which would be self-financing. This model has been thrown into doubt by the United Kingdom Government's decision to delay the removal of capacity restrictions on indoor venues until mid-July 2021 at the earliest. Consequently revised financial plans include only firm income and a reduced number of projects for this period. The major outgoings of the company are event-related, including fees paid to self-employed orchestral musicians, soloists and conductors. These are not incurred unless events take place and therefore the company is able to reduce a significant proportion of costs in line with income, albeit at the expense of programming.

From September 2021 to March 2022, the RPO plans for a full schedule of work, subject to capacity and travel restrictions being lifted, so that the Orchestra can revert to its typical model of receiving the major share of its income from box office sales and engagement fees. The Orchestra has retained its annual Arts Council England grant for 2022 and now expects this to continue into 2023. It has a good pipeline of future work and is particularly grateful for support from a major benefactor for future concerts when capacity constraints have been lifted. Scenario planning for this period includes mitigations should income restrictions continue.

Forecasts for the years ended 31 March 2022 and 2023 indicate that reserves will cover unavoidable outgoings throughout both years, with further cost reductions being made if incomes do not begin to rebuild through 2022. Therefore the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS' REPORT

Reference information

Reference information, administrative details and key advisors are set out on page 1 of this report and changes of directors during the year are set out below.

Background and Constitution

The Royal Philharmonic Orchestra Limited (also known as the RPO) is a charity registered with the Charity Commissioners for England and Wales (registration no. 244533) and is a company incorporated in England and Wales under the Companies Acts, as a company limited by shares (company no. 763836). Incorporated in 1963, the company is governed by its Memorandum of Association and Articles of Association. All full playing members of the Orchestra are required to hold 100 ordinary shares of £10 each.

The Royal Philharmonic Orchestra Limited has a wholly owned trading subsidiary, RPO Promotions Limited (company no. 04028129), previously named RPO Licensing Limited, which acts as a creative producer of orchestral concerts for the RPO.

Report of the Trustees for the year ended 31 March 2021 (continued)

Governance

The Directors of RPO Limited, who also act as the Board of Trustees, are responsible for the overall governance of the company. The Directors during the year to 31 March 2021 and up to the date of this report are:

Benjamin Cunningham (Chair)
Matthew Knight (Vice Chair)
James Williams (Managing Director)
Charlotte Ansbergs
Elizabeth Case (nee Kistruck)
Shana Douglas
Charles Fairweather
Patrick Flanagan
Jonathan Hallett
Phillip Keller
Peter Lumley

The Company's Articles of Association were revised on 30 October 2018 to expand the maximum number of Directors, to introduce fixed terms for non-executive Directors and to provide that the Board will always include both male and female Directors. Under the Articles, the Board will comprise a minimum of seven Directors and a maximum of thirteen, including the Managing Director. Other than the Managing Director, the maximum number of Directors comprises seven members of the Orchestra and five non-executives. There have been seven player Directors and four non-executive Directors throughout the year.

Directors are appointed either by votes of members at the annual general meeting or, to fill a vacancy until the next annual general meeting, by a majority of directors. Non-executive Directors are recommended by the Nominations Committee and appointed on the basis of their skills and experience and in relation to the needs of the company. Since 30 October 2018, the term of office for non-executive Directors has been set at five years with the potential to be reappointed for a further five year term. To transition to the new fixed terms, non-executive Directors who at 30 October 2018, had held office for more than five years, resigned and offered themselves for re-election. Player-member Directors are appointed for a three year term of office. Each year, eligible members of the Orchestra may be nominated for election to the Board to fill any vacancies, including any player Directors who have completed one or more three year terms.

The Board of Trustees meets at least four times a year to ensure robust governance and deal with all major issues that concern the well-being of the Orchestra. In the year, the Board met five times and received fortnightly updates from the Managing Director on the potential scenarios affecting the Orchestra and risk mitigation.

During the year the Board oversaw the steps taken to respond to the loss of earned income of furloughing staff and restructuring the administrative team as well as fee minimum schemes for Members. The Board received the annual safeguarding report and a report on the Hearing Protection Policy and noise measurement. The Board allocates time at each meeting to address progress on Inclusion and Diversity. In March 2021, the Board approved a brand refresh developed by a working party, which looks forward to the Orchestra's 75th Anniversary year in 2021-22.

Report of the Trustees for the year ended 31 March 2021 (continued)

The Audit Committee, a sub-group of the Board of Trustees, is chaired by a Non-Executive Director and meets prior to each Board meeting to monitor the Orchestra's financial internal controls, governance and risk management. External advisors are invited to attend the Audit Committee when additional expertise is required. The Committee met eleven times in the year to monitor the finances of the Orchestra and future financial scenarios, in view of the intense financial risks presented by the COVID 19 pandemic. The Committee approved the release of budgets for income support schemes for Members as well as applications for Culture Recovery Fund grants. In 2021, the Committee has also assessed the plans for moving the Orchestra's administrative office to Wembley Park which have been delayed by the COVID 19 pandemic.

Remuneration policy

The Audit Committee is responsible for making recommendations to the Board on the remuneration of the Managing Director and the remuneration framework for other staff. The Non-Executive Directors are responsible for approving the framework for musicians' fees and the service fees of the Chair and Vice Chair. During 2021, this has also included approval of income support schemes for Members.

Induction and Training of Directors

Newly appointed Directors receive a Directors' Handbook and briefings from the Chair, Managing Director and Heads of Department. Guidance on regulatory change and best practices are circulated or reported to Directors and briefings are provided in groups or one-to-one as required. Directors are encouraged to attend available training and sector updates.

Organisation and Management

The Royal Philharmonic Orchestra (RPO) is one of the world's leading symphony orchestras with a reputation for quality, versatility and diversity in the repertoire it performs, reaching audiences of over 300,000 annually. The RPO performs regularly in London, at its London residency, Cadogan Hall, at the Royal Albert Hall, where it is Associate Orchestra and the Royal Festival Hall. During 2021, the RPO held eight Principal residencies outside London, at Cambridge, Crawley, Croydon, Hull, Lowestoft, Northampton, Reading and Scunthorpe and eight other regional partnerships. In many of these locations, the RPO is the sole provider of professional orchestral concerts. As the RPO performs in so many areas of the UK, it has the widest reach and largest audience of any of England's orchestras. Overseas tours are also an integral part of the RPO's performance calendar every year.

RPO Ltd formed The Royal Philharmonic Concert Orchestra (RPCO) in 1987, which performs a broad programme of symphonic, light classical and popular music, working with internationally renowned classical and popular artists, in the UK and overseas. The RPCO is estimated to play to an annual audience of over 200,000.

RPO Resound is the RPO's community and education programme, which operates largely outside London, supporting the UK residency programme. Working in partnership with the music education sector and charity partners, this comprehensive programme reaches the young and the old, the disadvantaged and those restricted through ill-health or disability. The RPO Resound programme has also been shown to increase the number of first time attendees at the Orchestra's concert performances.

RPO Ltd's management services are provided from its office in Clerkenwell, London. Key management of the orchestra are the Managing Director and Deputy Managing Director, who lead a senior management team. The heads of the four departments – Concerts Management, Business Development (incorporating marketing and development), Finance, and Community and Education, all report directly to the Managing Director, who in turn

Report of the Trustees for the year ended 31 March 2021 (continued)

reports to the Board of Trustees. This team comprises experienced staff with a range of skillsets who continue to develop their ability to fulfil the Orchestra's objectives in all aspects of its work, whether delivering world-class performances or enabling the education and community work of RPO Resound.

Related Parties

The Royal Philharmonic Orchestra Trust is an independently controlled but connected charity registered with the Charity Commissioners for England and Wales (registration no. 232270). It was established on 9th November 1963 with the objective of the advancement of the musical education of mankind and in particular promoting, encouraging and supporting the practice and performance of orchestral music by the Royal Philharmonic Orchestra. The Royal Philharmonic Orchestra Trust has provided considerable support to the Orchestra over the years.

The principal asset of the Royal Philharmonic Orchestra Trust is a freehold property which is occupied by the administrative offices of the Orchestra. Rent of £108,000 for the year was charged by the Trust, whereas in 2020, the Trust waived £78,945 rent and charged £29,055. At 5th April 2021, net assets in the unaudited accounts of the Royal Philharmonic Orchestra Trust were £626,897 (2020 - £518,488), which included cash of £178,033 (2020 - £69,852).

The American Friends of the Royal Philharmonic Orchestra ("American Friends") is a corporation registered in the United States District of Columbia, with a 501 (c) (3) charitable tax exempt status. The purposes of the organisation are to educate the public regarding classical music and to promote the educational efforts of the Royal Philharmonic Orchestra and similar classical music organisations in the United States. The Directors of the American Friends in the year were David Albright, Les Bider, Barry Bloom (President), Rick Chapman, Huw Davies (Vice President and Secretary), Eileen Foley, James LoGatto, Harry Macklowe, James Mead (Treasurer), Michele Park and Robin Vince.

In the year to 31 March 2021, the American Friends provided a donation of £37,985 to support a filmed concert in St Albans Cathedral of John Rutter's music conducted by the composer. In the previous year, the Orchestra toured the United States, undertaking workshops and performances and the American Friends contributed £213,013 to support this work.

At 31 December 2020, net assets in the unaudited accounts of the American Friends were \$253,302 (2019 \$197,186), represented by cash of \$261,977 (2019 - \$196,767) and other net payables (2019 – net receivables).

Fundraising

The Royal Philharmonic Orchestra (RPO) is extremely grateful for the financial support that it receives from private benefactors, corporate sponsors and Trusts and Foundations. Together, these supporters help underpin the Orchestra's artistic objectives and outreach remit. The Development Department's strategy is based around securing memberships and gifts through the following supporter groups:

- American Friends of the Royal Philharmonic Orchestra
- Music Director's Club
- RPO Chair Partners
- RPO 1946 Club (Legacy Giving)
- RPO Young Professionals Club
- Signature Corporate Partners

Report of the Trustees for the year ended 31 March 2021 (continued)

Corporate partners include Northern Trust, Boldfield, Chestertons, Elephant Communications, Calderwood Wealth Management, Red Carnation Hotels and St James's Place.

The RPO is committed to fundraising best practice, is registered with the Fundraising Regulator and complies with data protection regulations. The Orchestra's Development Department maintains a considerate, unobtrusive approach to fundraising and does not undertake cold-calling or employ third parties to raise funds. The RPO enjoys very positive and enthusiastic relationships with its supporters who in turn introduce potential new benefactors and sponsors to the Orchestra. No complaints have been received and fundraising activity is reviewed quarterly by the Audit Committee.

Inclusion, Diversity and Equal Opportunities

The RPO seeks to offer diverse RPO and RPCO concert programmes and varied RPO Resound projects across the UK, including in areas of economic and social deprivation. Far fewer in-person events have been logistically possible in 2021, but online concerts and workshops have reached new regions and communities.

An Inclusion and Diversity Action Plan for the period October 2020 to September 2021, was approved by the Board in the year. The broad aims of the Action Plan are to improve workplace inclusion, expand the diversity of recruits to the staff and Orchestra and to contribute to a diverse talent pipeline. In summer 2020, a cross-section of Members of the Orchestra, staff and Trustees reflected on aspects of Inclusion and Diversity using the Music Masters I'M IN toolkit. The RPO's Inclusion and Diversity Working Group, a cross-organisation body comprising musicians and staff was expanded in January 2021 and has met three times in the year. The Working Group monitors progress on the Action Plan at each of its meetings and recommends improvements to inclusive practices within the RPO.

Since the year end, over 80% of the Members of the Orchestra, staff and Trustees have participated in Inclusion and Diversity training.

The gender balance on the Board at 31 March 2021 was 8 men and 4 women, the same as at the previous year end. The RPO senior leadership team at 31 March 2021 comprised 2 men and 3 women, whilst the overall gender balance across Members of the Orchestra was 40 men and 31 women (prior year 43/30) and across employees, was 11 men and 26 women (prior year 12/21).

Acknowledgements

The Trustees would like to express their appreciation and thanks to the people and organisations who support the Orchestra's wide-ranging programme of performances and outreach work. These include the Orchestra's President Mrs Foriel-Destezet, the John Lyons Foundation, Northern Trust, Cadogan Estates, Elephant Communications, St James's Place Foundation, the Garfield Weston Foundation, the Stavros Niarchos Foundation, the Dunhill Medical Trust, D'Oyly Carte Charitable Trust, the William Alwyn Foundation, Corporate and Individual Chair Partners, legacy givers, Members of the Friends of the RPO Scheme and supporters of the American Friends of the RPO.

The Orchestra is particularly grateful for public support through the pandemic in grants from the Department of Culture Media and Sport and Arts Council England and the Coronavirus Job Retention Scheme, as well as the self-employment income support scheme grants received directly by Members of the Orchestra.

The Trustees also thank the Orchestra's musicians and staff for their commitment and endurance during the particularly difficult past fifteen months.

Royal Philharmonic Orchestra Limited
Report of the Trustees for the year ended 31 March 2021 (continued)

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office as the company's auditors. A resolution to reappoint the firm as auditors will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Royal Philharmonic Orchestra Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the income and expenditure of the group 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Annual Report is approved by the Trustees of the charity. The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as Directors in company law of the Charity.

By order of the Trustees



Benjamin Cunningham

Chair

7 July 2021

Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited

We have audited the financial statements of the Royal Philharmonic Orchestra Limited for the year ended 31 March 2021 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group and Parent Charitable Cash Flow Statement and notes to the financial statements, including a statement 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 Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company 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.

Emphasis of matter

We draw attention to note 1.3 of the financial statements which describe the impact of the coronavirus on the company's activities. Our opinion is not modified in this respect.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 and form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

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 this fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Auditor's responsibility 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent Auditor's Report to the Members of the Royal Philharmonic Orchestra Limited
(continued)**

Use of our report

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

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)

for and on behalf of

Moore Kingston Smith LLP
Statutory Auditor
Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 12 July 2021

Royal Philharmonic Orchestra Limited
Consolidated Statement of Financial Activities
For the year ended 31 March 2021

	Unrestricted Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income					
Donations, grants and legacies					
Arts Council England Grants	1,860,840	-	-	1,860,840	946,394
Education and Community Grants	-	-	106,405	106,405	162,749
Sponsorship and donations	360,308	-	82,524	442,832	564,777
Charitable Activities					
Box office, orchestra hire and fees	363,650	-	-	363,650	7,487,472
Other income	411,837	-	-	411,837	190,677
Investment income	1,098	-	-	1,098	4,660
Total income	2,997,733	-	188,929	3,186,662	9,356,729
Expenditure on:					
Raising funds	205,305	-	-	205,305	254,938
Charitable activities	3,233,674	-	140,539	3,374,213	9,522,285
Total expenditure	3,438,979	-	140,539	3,579,518	9,777,223
Net (expenditure) / income before taxation	(441,246)	-	48,390	(392,856)	(420,494)
Tax credit	14,710	-	-	14,710	618,016
Transfers between funds	(304,717)	304,717	-	-	-
Net movement in funds for the year	(731,253)	304,717	48,390	(378,146)	197,522
Total funds brought forward	3,607,067	25,000	194,609	3,826,676	3,629,154
Total funds carried forward	2,875,814	329,717	242,999	3,448,530	3,826,676

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account. There were no recognised gains and losses in the current or preceding financial year other than those dealt with in the Statement of Financial Activities. All income and expenditure relates to continuing activities.


The notes on pages 24 to 42 form part of these financial statements

Royal Philharmonic Orchestra Limited
Consolidated and Charity Balance Sheets
at 31 March 2021

	Note	Consolidated		Charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed Assets					
Tangible assets	14	277,120	342,550	277,120	342,550
Intangible assets	15	553	1,383	553	1,383
Investments	16	-	-	2	2
		277,673	343,933	277,675	343,935
Current Assets					
Debtors	17	216,781	1,042,370	213,747	1,039,543
Cash at bank and in hand		4,603,726	3,534,888	4,603,398	3,534,412
		4,820,507	4,577,258	4,817,145	4,577,258
Creditors : Amounts falling due within one year	18	(1,588,467)	(1,094,515)	(1,585,107)	(1,091,214)
Net Current Assets		3,232,040	3,482,743	3,232,038	3,482,743
Total Assets less Current Liabilities		3,509,713	3,826,676	3,509,713	3,826,676
Provisions for liabilities and charges	19	(61,183)	-	(61,183)	-
Net Assets	20	3,448,530	3,826,676	3,448,530	3,826,676
Funds					
Called up share capital	21	71,000	71,000	71,000	71,000
Unrestricted funds		2,804,814	3,536,067	2,804,814	3,536,067
Designated funds	22	329,717	25,000	329,717	25,000
Restricted funds	23	242,999	194,609	242,999	194,609
Total Funds	24	3,448,530	3,826,676	3,448,530	3,826,676

The notes on pages 24 to 42 form part of these financial statements.

Approved by the board and authorised for issue on 7 July 2021.



Benjamin Cunningham

Chair

Royal Philharmonic Orchestra Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2021

	Note	2021	2020
		£	£
Net Cash provided by operating activities	a	1,067,115	406,833
Cash flows from / (to) investing activities			
Bank interest		1,098	4,660
Proceeds from the sale of property plant and equipment		625	-
Purchase of property, plant and equipment		-	(28,352)
		1,723	(23,692)
Net cash provided by / (used in) investing activities			
Change in cash and cash equivalents		1,068,838	383,141
Cash and cash equivalents:			
At the beginning of the year		3,534,888	3,151,747
At the end of the year		4,603,726	3,534,888

Cash and cash equivalents were all cash in hand or at bank at 31 March 2021 and 2020. The charity has no net debt and therefore no net debt note is presented.

a. Reconciliation of Net movement in funds to Net Cash provided by operating activities

	2021	2020
	£	£
Net movement in funds	(316,963)	197,522
Depreciation charges	65,408	64,718
Amortisation of intangible assets	830	830
Investment income	(1,098)	(4,660)
(Profit) / loss on disposal of fixed assets	(603)	179
Decrease in debtors	825,589	480,032
Increase / (decrease) in creditors	493,952	(331,788)
Increase in provisions for liabilities and charges	61,183	-
	1,067,115	406,833
Net cash provided by operating activities	1,067,115	406,833

**Notes to the Financial Statements
For the year ended 31 March 2021**

1. Accounting policies

a. Scope of the Financial Statements

The financial statements of the Royal Philharmonic Orchestra Limited (RPO Ltd), present the consolidated financial statements of the RPO Ltd and its subsidiary RPO Promotions Ltd comprising the Group Statement of Financial Activities (SOFA), the Group and Parent Charity Balance Sheet and the Group and Parent Charity Statement of Cash Flows.

b. Basis of Consolidation

The group financial statements consolidate on a line by line basis, the financial statements of the charitable company RPO Ltd and its subsidiary RPO Promotions Ltd, made up to 31 March 2021.

c. Accounting Convention

The financial statements have been prepared in accordance with the United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

RPO Ltd is a public benefit entity for the purposes of FRS 102 and a registered charity. Its financial statements are therefore also prepared in accordance with the "Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102" (Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and under the historical cost convention. The principal accounting policies are set out below and have been applied consistently throughout the year.

The financial statements are prepared in sterling, the functional currency of the charitable company and its subsidiary. Monetary amounts are rounded to the nearest pound.

c. Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered the impact of the COVID-19 pandemic as well as other possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

The Orchestra's Business Plan for the year to 31 March 2022 envisaged three phases across the year. The first quarter has seen a programme of concerts and outreach workshops sustained by a second Culture Recovery Fund award together with the use of some reserves.

July to August 2021 was expected to be a period of commercial engagements and recordings, which would be self-financing. This model has been thrown into doubt by the United Kingdom Government's decision to delay the removal of capacity restrictions on indoor venues until mid-July 2021. Consequently revised financial plans include only firm income and a reduced number of projects for this period. The major outgoings of the company are event-related, including fees paid to self-employed orchestral musicians, soloists and conductors. These are not incurred

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

Accounting policies (continued)

unless events take place and therefore the company is able to reduce a significant proportion of costs in line with income, albeit at the expense of programming.

From September 2021 to March 2022, the RPO plans for a full schedule of work, subject to capacity and travel restrictions being lifted, so that the Orchestra can revert to its typical model of receiving the major share of its income from box office sales and engagement fees. The Orchestra has retained its annual Arts Council England grant for 2022 and now expects this to continue into 2023. It has a good pipeline of future work and is particularly grateful for support from a major benefactor for future concerts when capacity constraints have been lifted. Scenario planning for this period includes mitigations should income restrictions continue.

Forecasts for the years ended 31 March 2022 and 2023 indicate that reserves will cover unavoidable outgoings throughout both years, with further cost reductions being made if incomes do not begin to rebuild through 2022. Therefore the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for a period not less than twelve months from the date of signing these financial statements. Hence, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

d. Significant accounting estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

- Entitlement to donations and sponsorship may arise prior to, or after, amounts being received as cash. Judgement is therefore required to determine that entitlement conditions have been met.
- The music library is capitalised as a fixed asset and has not been depreciated because in the Trustees' judgement, it has retained its economic value at the end of each financial year.

e. Statement of financial activities

As the company is a registered charity it has adapted the Companies Act formats to reflect the special nature of the charity's activities.

Income

Income comprises box office receipts, hire of the Orchestra in respect of concerts, recordings, engagements and tours; grants, including Arts Council grants; sponsorship fees and advertising, excluding VAT. The income and result for the year are wholly attributable to the principal activities of the charity and its subsidiary.

The income of the charity includes the recharge of costs to its subsidiary, RPO Promotions Limited, which is eliminated on consolidation. Therefore the income of the charity is higher than the income of the group as explained in note 5.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

Accounting policies (continued)

Donations and legacies

Grants, donations (including legacies) and sponsorship are accounted for on a receivable basis and are credited to the Statement of Financial Activities when the conditions for receipt are met. Where grants are received for performances in future accounting periods, these are treated as deferred income.

Government grants

Government grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the associated costs for which the grant is intended to compensate. This includes £295,929 of Government assistance under the Coronavirus Job Retention Scheme (CJRS) relating to staff who were furloughed due to COVID 19.

Government grants which are for wider purposes, such as the Arts Council England National Portfolio grant are recognised when received.

Expenditure

Performance related costs consist of performers' fees, venue and other costs, including marketing, which are specific to arranging performances. Support costs have been allocated to activity cost categories on a basis consistent with the use of resources. These include indirect costs that have been apportioned on the basis of time estimated to have been spent by management in governing the charity. Governance costs include those costs incurred in the governance of the charity and are primarily associated with compliance with constitutional and statutory requirements.

Leases

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

Pensions

The charitable company operates a defined contribution workplace pension scheme. Contributions have been made in respect of eligible employees, either to this workplace scheme, or to employees' personal pension arrangements, unless employees have opted not to participate in any scheme. Musicians' fees include pension allowances which may be paid to members who have eligible personal pension arrangements. Contributions are charged to the Statement of Financial Activities on an accruals basis.

f. Tangible Fixed Assets

Fixed assets of £2,500 or more are capitalised and the cost is written off on a straight line basis over the expected useful lives of the assets concerned, except in the case of the library which is not depreciated because it has retained its economic value at the end of each year. The expected useful lives of the depreciated assets are as follows:

Concert equipment	4 years
Office fittings and equipment	5 years
Warehouse fittings and equipment	10 years
Motor vehicles	7 years
Computer equipment	3 years

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

Accounting policies (continued)

g. Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

h. Designated funds

Designated funds are those which have been applied or reserved by the Trustees for a specific purpose and are set out in note 21.

i. Restricted funds

Restricted funds are those which are used in accordance with restrictions specified by donors or which have been raised by the Charity for particular purposes. The purposes for which restricted funds are held are analysed in note 22.

j. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

k. Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 17 and 18 for the debtor and creditor notes.

l. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

2. Comparative Consolidated Statement of Financial Activities for the year to 31 March 2020

	Unrestricted Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Income				
Donations, grants and legacies				
Arts Council England Grant	946,394	-	-	946,394
Grants for RPO Resound	-	-	162,749	162,749
Sponsorship and donations	423,275	-	141,502	564,777
Charitable Activities				
Box office, orchestra hire and fees	7,487,472	-	-	7,487,472
Other income	190,677	-	-	190,677
Investment income	4,660	-	-	4,660
Total income	9,052,478	-	304,251	9,356,729
Expenditure on:				
Raising funds	254,938	-	-	254,938
Charitable activities	9,234,210	-	288,075	9,522,285
Total expenditure	9,489,148	-	288,075	9,777,223
Net income before taxation	(436,670)	-	16,176	(420,494)
Tax credit	618,016	-	-	618,016
Net movement in funds for the year	181,346	-	16,176	197,522
Total funds brought forward	3,425,721	25,000	178,433	3,629,154
Total funds carried forward	3,607,067	25,000	194,609	3,826,676

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

3. Summary Financial Performance of the Parent Charity

	Note	Total Funds 2021 £	Total Funds 2020 £
Income			
Donations, grants and legacies			
Arts Council England Grant		1,860,840	946,394
Grants for RPO Resound		106,405	162,749
Sponsorship and donations		442,832	564,777
Charitable Activities			
Box office, orchestra hire and fees		363,650	7,487,472
Other income		411,837	190,677
Intercompany income		125,192	5,380,960
Investment income		1,098	4,660
Total income	5	3,311,854	14,737,689
Expenditure on:			
Raising funds		204,466	254,113
Charitable activities		3,485,534	14,286,054
Total expenditure		3,690,000	14,540,167
Net movement in funds in the year		(378,146)	197,522
Total funds brought forward		3,826,676	3,629,154
Total funds carried forward		3,448,530	3,826,676

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2021 (continued)

4. Statement of Subsidiary's activities

RPO Promotions Limited is a wholly owned subsidiary of the Royal Philharmonic Orchestra Limited which is commissioned to produce certain RPO concerts which are eligible for orchestra tax relief.

The trading results of RPO Promotions Limited and its assets, liabilities and funds at the year-end are summarised below.

	2021	2020
	£	£
Turnover	117,198	4,769,511
Cost of Sales	(106,733)	(4,906,104)
Gross Loss	10,465	(136,594)
Administration Expenses	(25,175)	(481,423)
Operating Loss for the year	(14,710)	(618,016)
Taxation	14,710	618,016
Profit / (loss) for the year after Tax	-	-
Assets	15,038	618,495
(Liabilities)	(15,036)	(618,493)
Net Funds	2	2

5. Income Analysis

	By Source of Funds		By Location of Activity	
	2021	2020	2021	2020
	£	£	£	£
United Kingdom	2,952,919	6,714,591	3,186,662	7,365,369
Europe	60,490	743,243	-	683,942
USA	111,809	1,617,680	-	1,011,007
Other	61,444	281,215	-	296,411
	3,186,662	9,356,729	3,186,662	9,356,729
Intercompany income	125,192	5,380,960	125,192	5,380,960
Total Charity income	3,311,854	14,737,689	3,311,854	14,737,689
Less: intercompany income	(125,192)	(5,380,960)	(125,192)	(5,280,960)
Total Consolidated income	3,186,662	9,256,729	3,186,662	9,356,729

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2021 (continued)

6. Expenditure Analysis

	Note	2021 £	2020 £
Cost of raising funds			
Musicians' fees and associated costs		-	4,747
Travel related and other costs		-	13,398
Advertising and marketing costs		-	115
Support costs	7	205,305	236,678
Total cost of raising funds		205,305	254,938
Cost of charitable activities			
Musicians' fees and associated costs		1,141,684	5,086,062
Venue costs		108,148	380,857
Travel related and other costs		314,929	2,003,980
Advertising and marketing costs		1,498	274,125
Support costs	7	1,791,954	1,777,261
Total cost of charitable activities		3,374,213	9,522,285

7. Support costs

Support costs have been allocated to activities based on estimates of staff time or use of resource.

	Cost of raising funds £	Charitable £	Governance £	Total 2021 £
Staff and staff related costs	144,207	1,141,529	80,341	1,366,077
General office costs	26,762	294,581	6,203	382,611
Legal, professional and marketing costs	3,051	91,997	-	95,048
Finance and depreciation charges	5,130	130,318	-	135,448
Audit	-	-	18,075	18,075
	179,150	1,658,425	104,619	1,997,259
Allocation of governance support costs	26,155	77,546	(104,619)	-
Total support costs	205,305	1,791,954	-	1,997,259

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

Support costs (continued)

	Cost of raising funds £	Charitable £	Governance £	Total 2020 £
Staff and staff related costs	177,774	1,259,365	113,507	1,550,646
General office costs	6,253	205,810	1,131	213,194
Legal, professional and marketing costs	13,379	127,155	-	140,534
Finance and depreciation charges	6,538	86,727	-	93,265
Audit	-	-	16,300	16,300
	<u>203,944</u>	<u>1,679,057</u>	<u>130,938</u>	<u>2,013,939</u>
Allocation of governance support costs	<u>32,734</u>	<u>98,204</u>	<u>(139,938)</u>	<u>-</u>
Total support costs	<u>236,678</u>	<u>1,777,261</u>	<u>-</u>	<u>2,013,939</u>

Staff and staff related costs includes salaries, national insurance, pension, training and recruitment

8. Net income

Net income is stated after charging:

	<u>2021</u> £	<u>2020</u> £
Operating lease rentals	171,000	92,054
Auditor's remuneration for annual audit	18,075	16,300
Auditor's fees for taxation services	4,000	3,865
Depreciation of owned assets	65,408	64,718
Amortisation of intangible assets	830	830
	<u><u> </u></u>	<u><u> </u></u>

9. Taxation

The Royal Philharmonic Orchestra Limited (RPO Ltd) is a registered charity and is thus exempt from tax on income and gains falling within part 11 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992, to the extent that these applied to its charitable objectives. No tax charges have arisen in the charity in either 2021 or 2020.

The subsidiary RPO Promotions Ltd has no taxable profits in 2021 or 2020. It was eligible to claim Orchestra Tax relief in 2021 of £14,710 (2020 - £618,016).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

10. Staff costs

	<u>2021</u>	<u>2020</u>
	£	£
Salaries	1,152,751	1,433,403
Social security costs	122,071	153,641
Pension costs	63,337	83,171
Redundancy payments	26,631	-
Other short term benefits	1,915	1,884
	<u>1,366,705</u>	<u>1,672,099</u>

The number of employees whose total employee benefits (excluding pension contributions but including benefits in kind) in excess of £60,000 were:

	<u>2021</u>	<u>2020</u>
	Number	Number
£60,000 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£160,001 - £170,000	-	1

The average number of people employed by the company during the year was as follows:

	<u>2021</u>	<u>2020</u>
	Number	Number
Concerts Management	12	15
Community and Education	3	3
Marketing	6	6
Development	3	3
Management, Finance and Administration	5	6
Total	<u>29</u>	<u>33</u>

Royal Philharmonic Orchestra Limited
Notes to the financial statements
For the year ended 31 March 2021 (continued)

11. Key management

Key management is defined as the Board of Trustees (including the Managing Director) and the Deputy Managing Director. Including social security costs, benefits in kind and pension contributions, remuneration of key management was £243,817 (2020 - £345,437), comprising remuneration of the Managing Director, Deputy Managing Director, Chair and Vice Chair.

12. Directors' emoluments

Total directors' emoluments including benefits in kind and pension contributions, were £145,971 (2020 – £220,344). The only members of the Board who receive payment for their managerial and administrative services to the company, are the Chair, Vice Chair and Managing Director. The emoluments of the highest paid director fell within the range £120,001- £130,000 (2020 £180,001 - £190,000). Expenses reimbursed to the highest paid director in each year totalled £359 (2020 - £14,779) in respect of travelling and subsistence and office costs.

13. Transactions involving directors and other related parties

Directors – Orchestral performance fees

The directors who are playing members of the Orchestra receive performance fees on the same scale as those paid to other playing members, as permitted under the company's Articles of Association. The performance fees paid during the period in which they were directors are as follows:

	2021	2020
	£	£
Charlotte Ansbergs	11,295	26,579
Benjamin Cunningham	15,005	46,392
Shana Douglas	14,044	50,908
Patrick Flanagan	10,463	21,205
Jonathan Hallett	11,062	50,492
Matthew Knight	7,785	37,713
Chian Lim	-	16,812
Sali-Wyn Ryan	13,819	44,776
	83,473	294,877

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

Transactions involving Directors and other related parties (continued)

Directors – Other transactions

Directors made donations totalling £9,775 in the year (2020 - £19,313).

Last year one director purchased some surplus catering stock at cost.

Loans to members of the Orchestra

The Board may approve loans to members of the Orchestra to further the purposes of the charity, generally for the purchase or repair of musical instruments. Interest is usually charged at 4% of the outstanding loan balance and repayments are made monthly. In the year to 31 March 2021, because the pandemic reduced Members' fees significantly, Members were not required to make repayments and interest was not charged.

Loans during each year were:

Player	Loan Purpose	Original Loan £	Balance at		
			1 April 2019 £	31 Mar 2020 £	31 Mar 2021 £
T Milne	Purchase of viola	5,000	2,869	1,182	1,034
M Perry	Purchase of timpani	10,000	-	8,682	5,260
K Saunders	Purchase of horn	7,900	3,200	1,294	1,294
J Valentinaviciute	Purchase of violin	10,000	1,597	-	-
Total receivable			7,666	11,158	7,588

Royal Philharmonic Orchestra Trust

The Royal Philharmonic Orchestra Trust, an independently controlled, but connected charity, held a minority shareholding in RPO Ltd at the end of the financial year of 700 shares (2020: 500 shares). In addition, amounts receivable from the Trust at 31 March 2021 were £3,000 (2020 - £1,000).

American Friends of the Royal Philharmonic Orchestra

The American Friends of the Royal Philharmonic Orchestra (American Friends) is a charity registered in the United States of America, with charitable purposes similar to those of RPO Ltd. There was £2,182 receivable from the American Friends at 31 March 2021 (2020 - nil).

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

Transactions involving Directors and other related parties (continued)

Transactions between parent charity and subsidiary

The Royal Philharmonic Orchestra Limited commissioned its subsidiary RPO Promotions Limited to produce certain RPO concerts, for which a fee of £117,198 (2020 - £4,769,511) is payable by the Royal Philharmonic Orchestra Limited to its subsidiary and in respect of which production costs of £125,192 (2019 - £5,280,960) are receivable from the subsidiary.

The balance owed by RPO Promotions Limited to the parent charity at 31 March 2021 is £11,676 (2020 - £615,192), as set out in note 17.

14. Tangible Fixed assets

Consolidated and Charity

	Computer Equipment £	Motor Vehicles £	Library £	Concert Equipment £	Office and Warehouse Fittings and equipment £	Total £
Cost						
At 1 April 2020	72,698	320,689	46,889	141,529	137,461	719,266
Disposals	(1,716)	(9,999)	-	-	(95,833)	(107,548)
At 31 March 2021	70,982	310,690	46,889	141,529	41,628	611,718
Depreciation						
At 1 April 2020	51,566	69,178	-	132,662	123,310	376,716
Charge in the year	10,406	44,384	-	2,660	7,958	64,718
Disposals	(1,694)	(9,999)	-	-	(95,833)	(107,526)
At 31 March 2021	60,278	103,563	-	135,322	35,435	334,598
Net Book Value						
At 31 March 2021	10,704	207,127	46,889	6,207	6,193	277,120
At 31 March 2020	21,132	151,511	46,889	8,867	14,151	342,550

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

15. Intangible fixed assets

Consolidated and Charity

	Total £
Cost	
At 1 April 2020 and 31 March 2021	3,320
Depreciation	
At 1 April 2020	1,937
Charge in the year	830
At 31 March 2021	2,767
Net Book Value	
At 31 March 2021	553
At 31 March 2020	1,383

16. Investments

Charity

	2021 £	2020 £
Shares in group company at cost	2	2

The charitable company has a wholly owned subsidiary, RPO Promotions Limited, registered in England and Wales. The aggregate capital and reserves of RPO Promotions Limited amounted to £2 at 31 March 2021 and 2020. The activities of RPO Promotions Limited are explained in note 4.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

17. Debtors

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	50,596	268,614	50,596	268,614
Current tax recoverable	14,710	618,019	-	-
Amounts owed by group undertakings	-	-	11,676	615,192
Social security and other taxes	9,751	-	9,751	-
Other debtors	13,080	28,933	13,080	28,933
Prepayments and accrued income	128,644	126,804	128,644	126,804
Total Debtors	<u>216,781</u>	<u>1,042,370</u>	<u>213,747</u>	<u>1,039,543</u>

18. Creditors: Amounts falling due within one year

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	84,746	67,930	84,746	67,930
Musicians' fees	205,993	286,982	205,993	286,982
Social security and other taxes	36,487	137,443	205,993	137,443
Other creditors	42,259	36,712	42,259	36,712
Accruals	152,969	76,447	149,609	73,146
Billings in advance	1,066,022	489,001	1,066,022	489,001
	<u>1,588,467</u>	<u>1,094,515</u>	<u>1,585,107</u>	<u>1,091,214</u>

Other creditors includes £3,610 (2020 - £4,331) representing cash held on behalf of the Trustees of the Royal Philharmonic Orchestra Sickness and Benevolent Fund.

19. Provisions for liabilities and charges

	£
Dilapidations provision	
At 1 April 2020	-
Additions	61,183
At 31 March 2021	<u>61,183</u>

The provision represents the cost of repairs to the Orchestra's administrative offices which are committed at the year end and for which payments will be made in the financial year ended 31 March 2022.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

20. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
As at 31 March 2021				
Fixed assets	277,673	-	-	277,673
Current assets	4,186,254	329,717	243,353	4,820,507
Current liabilities	(1,588,113)	-	(354)	(1,588,467)
Provisions for liabilities and charges	(61,183)	-	-	(61,183)
	2,875,814	329,717	242,999	3,509,713
As at 31 March 2020				
Fixed assets	343,933	-	-	343,933
Current assets	4,354,528	25,000	197,730	4,577,258
Current liabilities	(1,091,394)	-	(3,121)	(1,094,515)
	3,607,067	25,000	194,609	3,826,676

21. Called up share capital

	2021 £	Authorised 2020 £	Allotted and Fully Paid 2021 £	2020 £
Ordinary shares of £10 each	100,000	100,000	71,000	71,000

The company's Memorandum of Association prohibits the payment of dividends, return of capital or distribution of surplus funds to the shareholders in the event of the winding up of the company. All ordinary shares carry full voting rights.

22. Designated funds

	2021 £	2020 £
Residency development fund	250,000	-
Concert fund	40,000	-
Dilapidations fund	14,717	-
Seed investment for endowment fund	25,000	25,000
	390,900	25,000

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

Designated funds (continued)

The residency development fund is to invest in artistic programming and organisational systems and resources to develop residencies, including the move of the administrative office to Wembley Park. The dilapidations provision relates to the current administrative office of the RPO and will be largely spent in the year to 31 March 2022. The concert fund is to support recorded concerts in April 2021.

23. Restricted funds

	Fundraising projects £	Community and Education projects £	Other projects £	Total Funds £
Year to 31 March 2021				
Balance at 1 April 2020	84,043	110,566	-	194,609
Received during the year:				
Trusts, foundations and local authorities	-	50,824	2,000	52,824
Donations/sponsorship	-	55,581	80,824	136,105
Expenditure during the year	(6,140)	(51,875)	(82,524)	(140,539)
Balance at 31 March 2021	77,903	165,096	-	242,999
Year to 31 March 2020				
Balance at 1 April 2019	84,043	94,390	-	178,433
Received during the year:				
Trusts, foundations and local authorities	-	107,168	113,582	220,750
Donations/sponsorship	-	55,581	27,920	83,501
Expenditure during the year	-	(146,573)	(141,502)	(288,075)
Balance at 31 March 2020	84,043	110,566	-	194,609

Fundraising project reserves held at 1 April 2019 arose from a fundraising Gala in March 2016 at Buckingham Palace, celebrating the 70th anniversary of the Royal Philharmonic Orchestra.

Community and Education projects cover a range of participatory activities in the community, public spaces and health settings and with under-represented and hard to reach groups, schools, families and patients.

Other projects during both years were concerts and recordings which were supported by restricted donations.

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

24. Reconciliation of movement in funds

	Total Unrestricted Funds				Total Funds
	Called-up Share Capital	Other Unrestricted Funds	Designated Funds	Restricted Funds	
	£	£	£	£	£
Year to 31 March 2021					
Balance at 1 April 2020	71,000	3,536,067	25,000	194,609	3,826,676
Income	-	2,997,733	-	188,929	3,186,662
Expenditure	-	(3,438,979)	-	(140,539)	(3,579,518)
Tax credit	-	14,710	-	-	14,710
Transfers between funds	-	(304,717)	304,717	-	-
Balance at 31 March 2021	71,000	2,804,814	329,717	242,999	3,448,530
Year to 31 March 2020					
Balance at 1 April 2019	71,000	3,354,721	25,000	178,433	3,629,154
Income	-	9,052,478	-	304,251	9,356,729
Expenditure	-	(9,489,148)	-	(288,075)	(9,777,223)
Tax credit	-	618,016	-	-	618,016
Balance at 31 March 2020	71,000	3,536,067	25,000	194,609	3,826,676

Royal Philharmonic Orchestra Limited
Notes to the Financial Statements
For the year ended 31 March 2021 (continued)

25. Operating lease commitments

The company has annual operating lease commitments as follows:

	Land and Buildings 2021 £	Land and Buildings 2020 £
Commitments arising in:		
Less than one year	168,550	171,000
Two to five years	297,000	168,550
	465,550	339,550

The leases relate to the company's premises in London, UK: a warehouse in Greenford and offices in Clerkenwell.

The lease for the warehouse in Greenford commenced in June 2012 for a term of ten years with a tenant's option to break in mid-June 2017 which was not exercised. The mid-term rent review increased the annual rent from 11 June 2017 until the end of the lease.

The company has leased its premises in Clerkenwell since August 1986, and has benefitted from a rent waiver by the landlord, the RPO Trust, in recent years. Rent, at a current market rate, was reinstated from 24 December 2019. When the prior year accounts were signed the lease was expected to end in March 2022, but is now expected to end in December 2024.

26. Capital Commitments

The company had no capital commitments at 31 March 2021 or 31 March 2020.