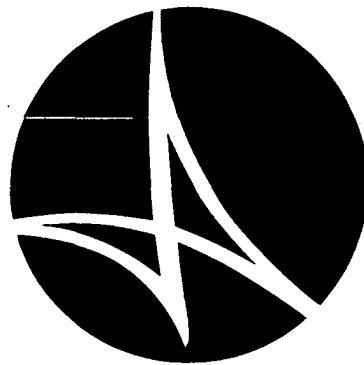


Company number: 1692341

Charity number: 286818



**CITY OF
LONDON
SINFONIA**

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

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CITY OF LONDON SINFONIA LIMITED

YEAR ENDED 31 MARCH 2023

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CITY OF LONDON SINFONIA LIMITED

CHAIRMAN'S REPORT

As I write this, the Board and Executive Team have recently been through an off-site strategic review led by Rowan Rutter, our CEO who joined us in April this year, and myself. Part of the day involved an exercise in groups, each provided with their own stack of Lego bricks and pieces which we used to represent our model of the CLS Orchestra going forward – each reflecting relevance, differentiation and **financial sustainability**, built on a solid platform and values to deliver that mission, vision and strategy.

It is too early to share the thinking widely but while it was clear that the macro and micro arts environments have continued to change dramatically from that which defined the 'Way Ahead' strategy we developed before COVID, our core values and objectives remain constant, defining our very special music-sharing in different settings. The way in which we achieve them has already been changing – and at an even greater pace since Rowan joined us. This will positively affect the current year, and is shaping the budget for 2024/25, on which our strategic planning and 'going concern' views are based.

So, as we are in a transitional phase of models, let me report on 2022/23, in terms not of a strategic model, but of **relevance, differentiation, financial sustainability** – both what we hoped for at the time of my last report and what has been achieved. To start at the end – at the risk of being a "spoiler" - we have exceeded expectations expressed in last year's Chair's Statement. We achieved a surplus of £45,539 for 2022/23 compared to a deficit of £68,879 in 2021/22. We increased our reserves to £66,656 – broken down into £50,656 in unrestricted funds and £16,000 in restricted funds.

So, after a year (2021/22) of using part of our reserves to invest in our strategy, this year the expectations I shared with you regarding restoring stability have been more than justified. How did we get there?

A. Relevance

For over a decade our focus has been heavily on the relevance of what we are doing, and how we do it, both on and off the stage. Without repeating here the messages of all those Venn diagrams of previous years, let me turn to the current year:-

- Our Participation work has returned fully back to 'in person' interaction. We have had to rethink integration of this work with performances beyond Comfortable Classics concerts. Our musicians bring their whole selves into this activity with long-standing partners, and more recent ones such as Tessa Jowell Health Centre, broadening our relevance geographically and by categories of participant.
- While audiences are still returning slowly, we are using new communication methods to draw in new audiences and this year performed to over 35,000 from the opera stage and concert platforms, and with 1,000 participants off it. By using different sizes of ensemble (as small as an octet) we could open up new venues to expand our reach to new audiences for our music, such as we have done at the Round Chapel in Hackney and Village Underground in Shoreditch. Gabriele Neuditschko, our Marketing and Audiences Manager has been using data to rethink audience segmentation, applying this to more relevant messaging for our social priorities.
- We worked this year with 27 different partner organisations - several covered in the Trustees Report which follows – not just on co-creativity and cost-sharing, but also to increase accessibility to audiences in line with the stated policy of the Arts Council. These have expanded the appeal and joy of CLS through increased programming, and stimulation of thinking and relevance through new commissions and ways of making music with others such as the "Painting with Music" kaleidoscope concert.
- Finally with the Board's agreed EDI policy on our website, this has been driving our artistic policy, programming and choice of those we work with this year. Something we will be developing much further in the coming years, but already consciously increasing our relevance in society.

CITY OF LONDON SINFONIA LIMITED

CHAIRMAN'S REPORT

B. Differentiation

Justifying our existence in a world of many orchestras has been a continuous preoccupation throughout my Chairmanship. And it led to many exciting and creative models from colleagues during our Lego session referred to above. Our highly differentiated projects have again made us the 'turn to' organisation for Radio 3 Music Matters and the Lancet during Mental Health Awareness Week, to take just one example. Our challenge continues to be to move proactively from these differentiated projects to a clearly understood differentiated CLS brand. To help shape this brand, we employed brand consultants who collected data internally and externally to synthesize and communicate our essence, mission and vision. But with Rowan's arrival and early driving force, we will be transitioning to a new more differentiated brand and projects, without losing the essential elements of our platform. For 2022/23, therefore we have been emphasising and building on our 'investment areas' set out in my last report:-

- We have continued integrating our on-stage and Participation work beyond our 'Comfortable Classics' work; putting Participation at the heart of our work. We differentiated our musical output through the bespoke outcomes and events we create with partners as you will see in the Trustees Report which follows. However, Rowan and the Executive Team will be increasing that integration effort in new ways which will produce an even more differentiated methodology and projects.
- We are looked up to by our peers in respect of how we train and work with our musicians on projects which contain substantial input from our elite musicians – elite both in terms of quality of playing as well as flexibility of outcomes they apply this to. We are frequently invited to share this expertise and these experiences with other musical groups; and this year, to mention some examples, we have done this with Britten-Pears Arts; Southbank Sinfonia and the Royal Academy of Music.
- I have mentioned that we have worked with 27 different partners this year. But it is the breadth and variety of these that make CLS different to most others. We have worked with academies such as King's College and the Royal Academy of Music; with health service providers such as the Tessa Jowell Health Centre; and in other art forms such as poetry with Faber & Faber and literature with the London Review of Books. Rowan intends to widen this differentiator very considerably.
- Two-way communication between musicians and audiences/participants has been a trademark of CLS activities in many ways. Sarah Dowling, choreographer and movement director, joined us this year as CLS Artist-in-Residence to incorporate movement to enhance our storytelling by musicians who bring their whole selves into their communication with others.

C. Financial Sustainability

To return to my 'spoiler' at the start of this report, overall we have achieved a profit turnaround of £114,418 this year to create a surplus of £45,539. This in turn has boosted our reserves to £66,656, broken down into £50,656 in unrestricted funds and £16,000 in restricted funds. This has, in "P&L" terms, been achieved by higher gross income and margins, combined crucially with a flexibility of budgeting which includes transparent timelines for the year of 'final decision-making' for events and expenditure, allowing us to adjust programming and forecasts as the year goes on. This allowed us in my 2021/22 report, together with other positive factors, to state the Board's confidence in CLS as a 'going concern' despite the huge lack of clarity looking forward through the windscreen. And we will be relying on many of these same factors to remain equally confident with regard to 'going concern' for the year ahead – with overhead and variable costs continuing under very close scrutiny, as any arts organisation requires in these difficult times.

CITY OF LONDON SINFONIA LIMITED

CHAIRMAN'S REPORT

More specifically:-

- **Gross income** rose by 11.6% to £1,125,374 from the low base of last year as activity on all sides began to pick up after the COVID phase. Income from our overall charitable activities/projects increased by 22.2% reflecting the growing confidence of partners in promoting concerts; more hired engagements; and audiences returning to concert halls and public spaces – all increasing our box office revenues.
- Our **Orchestral Tax Relief** was almost £74,795 (just under last year's heavier investment level in new productions) as a result of increasing activity and the doubling of what can now be claimed – please maintain this rare gesture of generosity to the arts, culture and civilisation, Mr Chancellor of the Exchequer!
- Total income from **grants and donations** has increased 1.8% to £540,196. While a vital part of stabilisation reached this year overall, it is a "Tale of Many Cities". There has been a welcome and encouraging increase in individual and partner donations, with the focus for us on stewardship and multi-year pledges – the saviour of many arts organisations. But raising funds from Trusts and Foundations has continued to be challenging in the current economic climate, with many funders still concentrating on front line charities. But we are making more strategic applications, and with the setting out of a clear new way ahead plus the appointment of Ellen Delbourgo – a highly experienced Philanthropy Manager from the Royal Opera House there should be more capacity and clearer messaging in the department to cultivate deeper relationships with individual donors.
- **Total expenditure** remains under constant review and tight control, falling 0.2% to £1,154,630. While direct costs increased by 2.8% as a result of increased artistic activity, our total support costs including staffing and overheads continued to be carefully controlled and fell by 12.5% compared to last year's figures.

And hence the **overall surplus** of £45,539 for this year, and **reserves** rebuilt to £66,656 – halfway to meeting our reserves target of 3 months operating costs. Putting that in context, having achieved our strategic target of breakeven in 2019/20; having maintained it the next year mainly because of crisis funding; having lost money in 2021/22 to invest in the restart of post-COVID life and our Way Ahead strategy, it is encouraging to be back on 'the positive side', achieving stabilisation even in a difficult and unpredictable year.

D. Building the Platform for Our Next Phase

In my last two Chair's Reports I have addressed our conscious efforts to invest in our CLS platform to prepare for future growth. A platform which I said at the start was utilised by each of us, in our individual Lego-building in different ways which we each dreamed of and devised to be relevant, differentiated and financially sustainable as the new strategic path gets defined and implemented under Rowan's executive leadership. We continued investing in several areas this year (without raiding the piggy bank), namely:

- Investment in musician training to develop their leadership skills, and the ways they can make use of their supreme musical skills. Thanks to our trustee Patricia Millett funding Musicians Awards, we continued to develop our pioneering work, respected by our peers – many of which have been turning to us for their training, as reported in the Trustees Report which follows.
- Investment in the Executive Team especially in the CEO position; finance department; philanthropy management; and moving forward our marketing and website this year. Our senior management team have led CLS brilliantly through this transitional time, and we are SO grateful for their energy, enthusiasm and continuing loyalty to CLS. Thank you so much for all the leadership and continuity you bring.

CITY OF LONDON SINFONIA LIMITED

CHAIRMAN'S REPORT

- Investment in new Board members. One of the Arts Council's four mantras is the need for a dynamic Board. Boards now need to possess not only shared culture, values and objectives; not only governance skills, but also the skills/experience and new contacts required to support the Executive Team in carrying out the strategic mission and plan. With a new 5-year plan being formed, we are recruiting new members under the Nominations Committee Chair, Richard Spiegelberg – but in a phased manner over the next year as those requirements become clearer.
- Investment in EDI practices. Our policy agreed by the Board, and, now on the website, should make clear that this is not a box-ticking exercise for us; but rather best practice for which our Board and Executive Team help us to strive amongst all our stakeholders. We will continue to budget for further Board training over the coming year.

E. Next Phase : Next Year

The Trustees Report sets out some of the past and future exciting programming which gives us great confidence in the future development of the Orchestra. But progress needs to be holistic to follow the "North Star" which we will be adopting and following over the next year. During that time, we will be building the partnerships, integrated practices, inventive programming and people within a carefully monitored flexible budgeting process which allows forecasting to be reviewed against experience-to-date. Our final-decision timetable ensures that we do not drift into loss-making activities without decisions having been made to do so. For this reason, and the others set out in note 1 to the accounts, we are happy at the Board and the Executive Team to put ourselves forward as a going concern on a path of strengthening brand, audiences and relevance, with carefully considered growth. Regarding risks, for any arts organisation, financial uncertainties require constant monitoring. And the financial ones have to be at the top of the list, given the uncertainties all of us in the arts sector face. But we do have a 'plan B' for each of the likeliest negative eventualities. Our risk register, which is regularly reviewed, sets out our plans for a very broad range of potential risks on the operational side covering levels of unmitigated risks; who is responsible for them and what is being done to reduce them. We have a good track record on minimising such areas of risk and dealing with any 'surprises'.

This is truly a very exciting time of rebirth, and adapting the legacy platform we have created to be even more relevant, differentiated and financially sustainable for a long and successful future for the CLS family. This path involves a lot of hard work, and love for what we do and those we do it with, together with devotion and loyalty. And so I send my heartfelt thanks to our glorious musicians, Executive Team, Board and Sub-committees, participants, audiences, benefactors and supporters who make it all worthwhile. Thank you all so much.



John Singer
Chairman

Date:

14th Dec. 2023

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The trustees (who are also directors of the company for the purposes of company law) present their report and the audited group and parent company financial statements of City of London Sinfonia Limited for the year ended 31 March 2023.

The trustees confirm that the report and the group and parent company financial statements of the charity comply with the current statutory requirements, the requirements of the governing document, and the provisions of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

Reference and administrative information

Company number	01692341 (England and Wales)
Registered charity number	286818
Chairman	John Singer
Interim Chief Executive Officer	Elaine Baines
Registered office and principal office address	1 st Floor Radisson Court 219 Long Lane London SE1 4PB
Independent auditors	Lindeyer Francis Ferguson Limited North House 198 High Street Tonbridge Kent TN9 1BE
Principal bankers	Lloyds Bank plc 35 Whitechapel High Street London E1 7PH

Structure, governance and management

City of London Sinfonia Limited was incorporated on 19 January 1983 and is a charitable company limited by guarantee. It has no share capital and is governed by a memorandum and articles of association. In the event of a winding up, the member's liability is limited to £5. Past members who had resigned in the twelve months preceding the winding up are also required to contribute up to £5 each for debts incurred whilst they were members. The members have no entitlement to surplus assets on a winding up; any such assets will be given or transferred to some other charitable institution or institutions with similar charitable objects.

The Board of Trustees is responsible for selecting and recruiting suitable trustees to office at the Annual General Meeting. There is no maximum number of trustees that may be elected to the board. Trustees may serve for a period of nine years, subject to re-election every three years. After nine years of service, trustees may remain on the board subject to an annual re-election provided more than 75% of the trustees support their re-election. There is no age limit imposed on trustees.

New trustees are inducted through an intensive briefing by the Chief Executive and are given a job description, the most recent audited accounts and the current year budget.

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Policy decisions are made by the full board of trustees, with subcommittees for Finance and Operations, and Development and Communication, with both bodies reporting to the full board on a quarterly basis. The day-to-day decisions are made by the Chief Executive and the full-time administration staff of seven others.

The Chief Executive's remuneration is set by the board of trustees and does not include any bonus or performance related remuneration. The Chief Executive then sets the pay for the remainder of the administration, with annual increases for all staff agreed by the board of trustees. Only one member of the administration staff receives any performance related remuneration (Philanthropy and Enterprise Manager), and this is agreed with the Chief Executive.

Key Management personnel include:

Elaine Baines (Chief Operating Officer and interim Chief Executive Officer to 16 April 2023)
Rowan Rutter (Chief Executive Officer from 17 April 2023)

Trustees

The trustees serving during the year were:

John Singer CBE (*Chairman*)
Richard Spiegelberg (*Deputy Chairman*)
William Spurgin (*Deputy Chairman*)
Paul Cutts (resigned 5 October 2022)
Sally Davis
Teruko Iwanaga OBE
Joanna Livesey
Patricia Millett
Alan Morgan
Mark Redman
Julian Schild
Countess Sarah Thun-Hohenstein

Objectives and activities

The mission and vision of the orchestra, as adopted by the trustees, is as follows:

Our vision is of a world where musicians are an integral part of every community, meeting people across all of aspects of society and fully reflecting the communities where they are active.

City of London Sinfonia's musicians are at the forefront of our vision, engaging with people from all backgrounds in shared moments of connection wherever we meet them. Our collaborative approach and practice in healthcare, wellbeing and social care settings underpins all our activity.

Our mission is manifested in two major areas of activity which are: (i) concert and staged performances; and (ii) participatory activity in education, community and health and social care settings.

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and fee charging and our new mission, vision and values. The charity relies on sponsorship, grants and the income from fees and charges to cover its operating costs. In setting the level of fees, ticket prices, and concessions, the directors give careful consideration to the accessibility of all events for those on low incomes.

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The aim of the orchestra is to transform the lives of individuals across all areas of society through outstanding music making. Specifically, in a usual year we give over 75 performances every year and spend over 150 days every year in education and wellbeing settings including:

- in environments where social background often creates a barrier to musical and artistic creativity and ambition;
- in hospitals for young people with severe, life-limiting, psychiatric and challenging conditions and illnesses;
- with older people, many with dementia diagnoses in end-of-life residential social care;
- performances which by taking place in non-traditional venues, engaging with audiences in immersive and interactive ways, or involving collaborations with artists from different disciplines attract those who would not normally attend classical music events; and
- performances and activities for communities who because of location or opportunity would not otherwise experience outstanding professional music-making.

We place equal value and bring the same approach to everything we do: the highest quality, and a distinctive, 'seriously informal' style of performance that removes the barriers between musicians and audiences so that people can experience the transformative power of music.

To ensure that we are achieving these aims, we will continue to ask questions of ourselves, ensuring that we remain at the forefront of best practice, both in attracting audiences and in schools, hospitals and care homes. We will partner with leading research institutions to ask us challenging questions, and provide the hard evidence of the benefits of our activity. Specific current evaluation methods include:

- the use of data from our box office system to ensure that we are reaching as wide an audience as possible, including approaching new audience members directly for feedback on our effectiveness at bringing new audiences to classical music;
- partnership with leading academic and clinical research institutions and best practice observational evaluation methodology; and
- partner feedback, particularly as regards our work in schools and hospitals, to ensure that our projects best meet the needs of those young people whose lives we seek to transform.

In the financial year 2022-23 like all arts organisations, CLS continued to feel the impact of the pandemic but was supported by returning audiences and a clear appetite for cultural events. We maintained the same programme approach and repeated well established project models while anticipating new leadership and strategic direction; we used this time and extra staff resource to deepen our partnerships and support and develop our musicians.

For CLS' eighteenth year of partnership with Opera Holland Park, we delivered a full season of five operas including: new productions of Tchaikovsky's *Eugene Onegin*, Bizet's *Carmen*. The second half of the season began with a double bill of Delius's *Margot la Rouge* and Puccini's *Le Villi* followed by the UK premiere of Mark Adamo's *Little Women*. The season finished with a new co-production of Gilbert and Sullivan's *HMS Pinafore* with Charles Court Opera. Reviews highlighted CLS' 'energy and passion' and 'tight musical brilliance' across the season.

At St Paul's Cathedral we were delighted to present the first orchestral Mass since C-19, under Wren's extraordinary great dome, in July, which we followed with a Messiah in November, A Celebration of Christmas in the December, and an additional concert for Water Aid's Christmas Appeal.

CLS delivered breathtaking work for the Chiltern's - and Spitalfield's Festivals, alongside private concerts at Brooks's and a Hygge winter-warmer at Hackney's Round Chapel. Three concerts at Southwark Cathedral, where CLS has a strong audience following, were a highlight of the season, including a double-bill celebrating and complementing Luke Jerram's stunning installation Gaia which attracted thousands of visitors.

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The orchestra continues to be led by Creative Director and first violin Alexandra Wood, supported by our world-class member players Principals. CLS musicians continued to grow as individual artists not only through our award winning participation work, but also through the first year of our Participation Development & Legacy Award.

We focused on outwardly establishing our work and practise through participation and gained national media recognition featuring in Radio 3's Music Matters and articles in the Psychology Lancet and the Daily Express.

Our partnerships with academic institutions continued to flourish with talks at the Royal Academy of Music as well as events with Kings College London and the Institute of Psychiatry Psychology and Neuroscience (IoPPN) - some of which have culminated in commissions for Radio 3 (Scoring Mental Health) and our collaboration / involvement in a Wellcome Trust funded project with Dr Virginia Carter Leno of Kings College examining how neurodivergent people experience the world. This project culminated in the commissioning of a new work 'Divergent Sounds' by neurodiverse composer Amble Scuse and was presented at the Queen Elizabeth Hall to critical acclaim.

We also gained recognition from our artistic peers who want to learn more about how we work with our musicians. CLS musicians led sessions at Southbank Sinfonia's residential for their new recruits and CLS' Participation Department were residential tutors for Britten Pears Artists at Snape Maltings, Aldeburgh. Flagship projects, Room to Room Music the Mindful Music Social Prescribing project at Tessa Jowell Health Centre and Sound Young Minds with Bethlem and Maudsley Hospital Schools continue to garner recognition for the groundbreaking work between musicians and participants.

Our season finished with two sold-out concerts: a raucous full house for *Dance with the Devil* featuring acclaimed Scottish folk musicians Kristen Harvey and Anna Massie which included diabolically inspired music by Vivaldi, Piazzolla and Locatelli but also - *The Devil Went down to Georgia* by **The Charles Daniels Band** arranged for orchestra and folk musicians by Iain Farrington at Village Underground. The second sold out concert at Queen Elizabeth Hall Southbank Centre, *The Owl and the Nightingale*, was a project delivered in collaboration with Faber and featuring poet laureate Simon Armitage as narrator, and stars of the screen **Kerry Godliman** as the owl and **Nina Wadia OBE** as the nightingale. The concert illuminated the action of Simon's poem with avian and argumentative music from composers including: -Bach, Shostakovich, Ligeti and Purcell.

Audience feedback from 22-23

It was an exceptional concert. Everyone was cold in the space so seeing the players in jumpers and hats felt very egalitarian - what shone through was beautiful playing. The efforts that everyone went to were above and beyond. (Coming in from the Cold – late performance)

It felt joyous and entertaining (The Owl and the Nightingale)

I thought it was excellent. Difficult to improve on! Thank you. (Devil's Violin)

In December 2022, we appointed a new CEO Rowan Rutter to take up leadership in April 2023. Under her leadership we will look to expand our programme and partnerships, and grow our commitment to our core audiences whilst inspiring new audiences, artists and participants to experience the joy of City of London Sinfonia's work. This will include a focus on diversity of repertoire, story, artists and theme across our public facing work, supported by our EEDI policy.

During a difficult year of unclear guidance on the lifting of covid restrictions and continuing reduced in-person delivery in healthcare settings, we reached a total audience of 35,329, worked with over 1000 participants, and collaborated with 27 different partner organisations.

The charity's entire resource is directed towards delivering these activities, with £1.051 million (2021-22 £1.039 million) spent on realising charitable activities, compared to £103k (2021-22 £118k) spent on raising funds.

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Fundraising

A programme of events for our friends, supporters and patrons, starting in autumn 2022 and continuing into summer 2023.

Highlights include a Hickox Circle dinner for major donors, held after St Paul's *Messiah*, a fundraising drinks event in the retrochoir at Southwark Cathedral and a wonderful evening at The British Library exploring *Music and Maps* with key supporters and the British Library curatorial team.

CLS raises charitable income from charitable trusts and individuals. In doing so it makes approaches to charitable trusts who publicly state that they seek to support music and the arts, or innovative wellbeing measures such as our participation programme, or charitable trusts where the trustees are known to CLS trustees and have invited CLS to apply for funding.

CLS makes approaches to individuals for charitable income that have attended CLS performances or events, or who are known personally to trustees of CLS.

CLS does not employ third party fundraisers, and we do not make unilateral unsolicited approaches to individuals.

CLS is registered with the Fundraising Regulator and adheres to that regulator's code of practice. In addition, CLS is GDPR compliant.

CLS has not received any complaints about its fundraising activity.

Financial review

The Chairman's report outlines our fundraising performance for the year and overall financial position, but in summary:

- Gross income – increased to £1,125,374 from £1,008,122 (an increase of 11.6%)
- Direct costs (excluding staff costs) increased by 3%, as income from charitable activities (concerts, staged events and outreach projects) increased by 22.6% (from £477,352 to £585,178).
- Grants and donations increased by 1.8% to £540,196 in 2022/23 (from £530,770 in 2021/22)
- Overall surplus of £45,539 for 2022/23 compared to a deficit of £68,879 in 2021/22.
- Reserves at the end of March 2023 are £66,656 broken down as £50,656 in unrestricted funds and £16,000 in restricted funds.

Our principal funding sources remain hired engagements, grants from trusts and foundations, individual donors, Arts Council England, and box office income, and whilst there was an increase in income from the 2021-22 financial year, activity has not yet returned to pre-pandemic levels.

The financial environment that the orchestra operates in continues to remain challenging: charitable trust and foundation investment dividends remain low; statutory funding from central government and lottery income is decreasing / standstill; individual and corporate philanthropy is affected by continuing economic and political uncertainty.

This environment, however, is one that affects every professional performing arts organisation in the UK, and City of London Sinfonia has taken every possible step to ensure that our brand and vision are differentiated and as attractive to funders as possible.

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the charitable company has adequate resources to continue in existence for the foreseeable future. For the reasons detailed in Note 1 in the Statement of Accounting Policies, the trustees have adopted the going concern basis in preparing the financial statements.

Pricing policy

CLS own-promotion concerts are priced to be affordable for all with concession prices available for young and older people. Our "5IVER" scheme offers £5 tickets for 16-25 year olds at all own-promoted concerts. These concerts require significant sponsorship and/or support from designated funds to subsidise the costs. For season 2022-23 ticket prices have been held at previous season levels to encourage past audience members to re-engage with the orchestra.

Reserves

The trustees have determined that the appropriate minimum level of unrestricted reserves should be equivalent to three months' operational expenditure of approximately £124,000 in unrestricted funds, which is a level of reserves that the trustees deem would enable the charity to find new funding for its charitable activities, should the very unlikely scenario occur that all current funding resources were to cease, or, if necessary, to enable the charity to cease operating in a timely and prudent manner.

The group's reserves at 31 March 2023 were £66,656 of which £16,000 is restricted funds and £8,963 is designated leaving unrestricted reserves of £41,693. This represents an increase of £45,539 in the total reserves on the previous year (2022 £21,117). The current multi-year strategic plan includes a plan of how to achieve an unrestricted reserves figure in excess of £124,000 which the Trustees deem the appropriate minimum level.

Plans for future periods

Our plans for 2023-24 include:

A five concert series featuring guest soloists BISHI, Ivana Gavric, and David Greilsammer, at King's Place, Cadogan Hall and Southwark Cathedral with highlights in repertoire including rarely performed Louise Faranc.

We will also produce the first concert in a series with new partners *London Review of Books* at the Queen Elizabeth Hall and a series of summer masses at St Paul's Cathedral.

We will deliver a full season of five operas for our nineteenth year of partnership with Opera Holland Park including: *Rigoletto*, *La Boheme*, *Hansel & Gretel*, *Ruddigore* and a newly commissioned chamber opera: *Itch* by Jonathan Dove.

We will continue to deepen the impact of our work in participation, collaborating with new partners and developing delivery in children's hospitals by partnering with UCHL's play team.

Implementing our Equity, Diversity and Inclusion (EEDI) strategy as referred to in the Chairman's statement above, including training at board and executive team levels.

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Risks

CLS keeps a regularly updated Risk Register which identifies risk in four key areas: Governance; Finance; Operations; and Artistic. Each area of risk is analysed for impact and probability to ascertain the level of unmitigated risk. An individual or group within the organisation is assigned responsibility for the identified risk, regular mitigating action to be taken, and when that action should be taken, including any current activity. Based on this mitigating process, the level of mitigated risk is ascertained. These areas of risk include:

- Finance: like all arts organisations, CLS relies on charitable giving, box office income and commercial income which have an inherent degree of uncertainty. The Chairman's Report and this Report's sections on going concern and finance outline the mitigating actions taken to reduce this risk, as well as the regular and close monitoring of externally prepared monthly management accounts by the Trustees.
- Child and Vulnerable Adult Safeguarding: CLS's participation activity necessitates engagement with children and vulnerable adults, and while the Trustees deem any breach of policy in this area as unlikely, all CLS staff and musicians undergo enhanced Disclosure and Barring Service checks, and the Director of Participation keeps and regularly reviews our Child and Vulnerable Adult Protection Policy, with all staff and musicians who come into contact with those individuals made aware of expected levels of behaviour.
- Health and Safety in Performance Areas: the performance of music involves very high decibel levels which, if musicians were left unprotected, could incur serious hearing loss or damage. CLS staff adhere to best practice in providing protection for these noise levels, and these protections are available at every CLS performance, including state of the-art 'acoustic shields' that reduce noise levels for individual musicians.
- In the 2022-23 year and ongoing, CLS's approach to managing risk also includes specific risk assessments for each project and performance to mitigate the risks associated with the COVID-19 pandemic and the need for additional protection against infection for all our musicians, staff and audiences.

The Risk Register is regularly reviewed by the senior management team, the Finance and Operations Committee and the Board, and was last reviewed by the Board in February 2023.

Trustees' responsibilities

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

CITY OF LONDON SINFONIA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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

Statement of disclosure to auditors

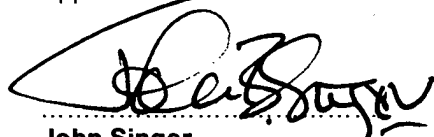
Each of the persons who are trustees at the time when this trustees' annual report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The auditors, Lindeyer Francis Ferguson Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime in Part 15 of the Companies Act 2006.

Approved by the board of trustees on 5th Dec. 2023 and signed on its behalf by:


John Singer
Chairman

CITY OF LONDON SINFONIA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the group and parent company financial statements of City of London Sinfonia Limited ("the charitable company") for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and the Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Material uncertainty relating to going concern

We draw attention to Note 1 to the financial statements, in relation to going concern. This indicates that the charity has free reserves below policy level and is reliant on donations from its trustees, particularly its Chairman. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of these matters.

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 inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

CITY OF LONDON SINFONIA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- the parent charitable company has not kept adequate and proper 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, 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 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 either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

CITY OF LONDON SINFONIA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

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.

We obtained an understanding of the legal and regulatory framework applicable to the preparation of the financial statements of the charity, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: the Companies Act 2006, the Charity SORP (Statement of Recommended Practice) and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the charity's operations and to avoid material penalties, including employment law, health and safety law and data protection regulations.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with sector experience for completing the audit;
- Obtained an understanding of the charity's procedures for ensuring compliance with laws and regulations;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with laws and regulations;
- Obtained and reviewed meeting minutes;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the charity's control environment, systems and controls, including identifying any weaknesses and considering the risk of management override of controls;
- Assessing the susceptibility of the charity's financial statements to material misstatement, including considering how fraud could occur;
- Considering whether there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they were aware of any actual or suspected fraud;
- Reviewing the accounting policies and accounting estimates for signs of management bias; and
- Identifying key risks relating to irregularities including the completeness of income, completeness of liabilities, estimates involved in the allocation of support costs and staff costs across activities, and management override of controls.

We then designed audit procedures to respond to the risks identified, including performing substantive testing in respect of the completeness of income and liabilities, assessing the estimation techniques for the allocation of costs and reviewing the related calculations, review of relevant correspondence and minutes, discussions with management and corroboration of their statements, a review of systems and controls, and a review of journal entries and other accounting estimates.

CITY OF LONDON SINFONIA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities,

including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.

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

Use of our report

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

Lindeyer Francis Ferguson Ltd

A S Healey FCA CTA DChA
Senior Statutory Auditor

For and on behalf of:
Lindeyer Francis Ferguson Limited
Statutory Auditors
Chartered Accountants

Date: *18 DECEMBER 2023*

North House
198 High Street
Tonbridge
Kent TN9 1BE

CITY OF LONDON SINFONIA LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and grants	2	409,154	131,042	540,196	530,770
Charitable activities	3	585,178	-	585,178	477,352
Total income		994,332	131,042	1,125,374	1,008,122
Expenditure on:					
Raising funds	4	103,159	-	103,159	117,612
Charitable activities	5	923,411	128,060	1,051,471	1,039,099
Total expenditure		1,026,570	128,060	1,154,630	1,156,711
Net expenditure before tax	8	(32,238)	2,982	(29,256)	(148,589)
Corporation tax credit	10	74,795	-	74,795	79,710
Net income / (expenditure)		42,557	2,982	45,539	(68,879)
Transfers between funds		-	-	-	-
Net movement in funds		42,557	2,982	45,539	(68,879)
Reconciliation of funds:					
Total funds brought forward		8,099	13,018	21,117	89,996
Total funds carried forward	15	50,656	16,000	66,656	21,117

The statement of financial activities includes all gains and losses recognised in the period.

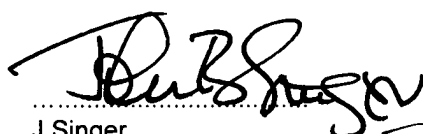
All income and expenditure derives from continuing activities.

CITY OF LONDON SINFONIA LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

	Notes	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	11		7,447		9,916
Current assets:					
Debtors	13	128,420		220,781	
Cash at bank and in hand		100,482		16,978	
		<u>228,902</u>		<u>237,759</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(169,693)		(226,558)	
Net current assets			59,209		11,201
Total net assets			<u>66,656</u>		<u>21,117</u>
The funds of the charity:					
Restricted income funds			16,000		13,018
Unrestricted funds			50,656		8,099
Total funds	15		<u>66,656</u>		<u>21,117</u>

Approved by the board of trustees on 5th Dec. 2023 and signed on its behalf by:


J Singer
Chairman

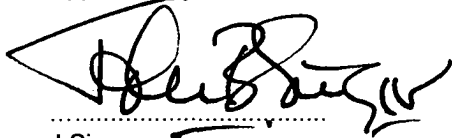
Company number: 01692341

CITY OF LONDON SINFONIA LIMITED

CHARITY BALANCE SHEET AS AT 31 MARCH 2023

	Notes	£	2023 £	£	As restated 2022 £
Fixed assets:					
Tangible assets	11		7,447		9,916
Investments	12		1		1
			<u>7,448</u>		<u>9,917</u>
Current assets:					
Debtors	13	122,500		220,781	
Cash at bank and in hand		100,481		16,979	
		<u>222,981</u>		<u>237,760</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(207,010)		(257,331)	
Net current assets			15,971		(19,571)
Total net assets			<u>23,419</u>		<u>(9,654)</u>
The funds of the charity:					
Restricted income funds			16,000		13,018
Unrestricted funds			7,419		(22,672)
Total funds	15		<u>23,419</u>		<u>(9,654)</u>

Approved by the board of trustees on 5th Dec. 2023 and signed on its behalf by:



J Singer
Chairman

Company number: 01692341

CITY OF LONDON SINFONIA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	85,736	9,809
Cash flows from investing activities:			
Purchase of tangible assets		(2,232)	(595)
Net cash used in investing activities		(2,232)	(595)
Change in cash and cash equivalents for the year		83,504	9,214
Cash and cash equivalents at the beginning of the year		16,978	7,764
Cash and cash equivalents at the end of the year		100,482	16,978
A. Reconciliation of net income to net cash flow from operating activities			
Net income / (expenditure)		45,539	(68,879)
<i>As per statement of financial activities</i>			
Adjustments for:			
Depreciation charges		4,701	6,949
Decrease / (increase) in debtors		92,361	(65,133)
(Increase) / decrease in creditors		(56,865)	136,872
Net cash provided by operating activities		85,736	9,809

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

City of London Sinfonia Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary CLS Productions Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Going Concern

The last 12 months have seen an improvement in the external market in which the charitable company operates. The Orchestra's activity has continued to grow and adapt to the new climate and the financial position of the orchestra is beginning to show stability, despite the reluctance of audiences to return to the concert hall and a number of key staffing vacancies for part of the year. At the end of the 2022/23 financial year the Orchestra significantly improved its reserves position, and it is anticipated that reserves will continue to hold, into the 24-25 financial year.

The Trustees recognise that, in common with a large number of organisations in the Arts sector which rely on external funding from a variety of sources, CLS lives with a degree of material uncertainty. Specifically, that while free reserves were badly hit in the pandemic period, but have now been increased again in the current year, they are still below the targeted reserves policy level of three months of operating expenditure. Also, during this period, there has been significant reliance on the philanthropic giving of a generous and loyal Board, and, in particular, the Chairman.

However, for the reasons given in these report and accounts – especially the new flexible budgeting system with deadlines introduced successfully this year – the Trustees are confident that with the significant changes to business and operating policy going forward, the Company will remain in operation for the foreseeable future.

Financial Management

Operating surplus at year end means that free reserves at the balance sheet date have improved and whilst not yet at the policy level of 3 months operating costs, have improved the charity's ability to deal with unexpected costs and future outcomes.

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES continued

Budgets prepared for financial years 2023/24 and 2024/25 are flexible and can be adapted for planned activity to meet both the exigencies of reduced income and allow for growth if fundraising targets are exceeded. Budget activity is in line with a conservative estimate of income.

Core overhead costs have been brought in line with output and organisational need, and will continue to be carefully controlled. The fundraising targets within the budget have been set in the confidence that they are realistic based on pledged giving. A strong pipeline of fundraising requests across statutory, trust and individual sources extends into 2025 against a developed programme of activities.

Executive and Governance

After a competitive process managed by consultants Saxton Bampfylde, CLS welcomed new CEO Rowan Rutter in April 2023. Rowan arrived at CLS with a considerable track record in the arts sector, and specific skills in organisational development, event producing, and company turnaround. The Trustees are confident that they have found an effective individual who has the vision and leadership skills to: revitalise CLS's profile differentiating it from other orchestras; create new markets for its concert and participation work capable of generating significant revenues; and increase its fundraising capacity with an emphasis on philanthropy. In 2023, the company recruited a Philanthropy Manager with demonstrable experience in classical music and opera, and a senior Finance Director whose track record covers both the commercial and charitable sectors. These additional recruitments alongside the new CEO add considerable and necessary expertise to the organisation. These recruitments match the planned overhead expenditure for the year.

In addition to the strengthening of the core employee team, an Artistic Council will be established to support the ongoing creative development of the organisation and to ensure creative viability and expansion within the sector, broadening appeal to new audiences, funders, partners and other stakeholders. The six individuals on this council comprise a diverse and broad range of specialisms within music and sound, participation and performance.

This is supported by changes in governance in the 23/24/25 years which will see more diversity and representation at Board and executive level including the recruitment of new Board members with relevant experience, backgrounds and capabilities.

Partnerships

The Opera Holland Park contract for 2023 has been delivered, with the 2024 contract in final negotiation phase, ensuring four months of performance work in both financial years. New partnerships with Peterborough Theatres, London Review of Books and internationally acclaimed theatre company Curious Directive and Johannesburg Theatres have been established with work planned for 2023, 2024 and 2025, broadening national and international reach. Concerts and events with longstanding partners, St Paul's Cathedral, Salisbury Cathedral and Chilterns Festival are confirmed for 2024 with concert work planned for Cadogan Hall, Queen Elizabeth Hall Southbank Centre and St John's Smith Square.

Audience and Brand Development

CLS have appointed SplitPixel to design and develop a new website, costs for which have been fully funded, which will be built throughout 2023 and launched in February 2024. This will also include updated branding, a more contemporary aesthetic and a streamlined process for processing gifts from donors. Further to this a Branding update exercise has been delivered, making the CLS brand, logo, colours and 'voice' more contemporary, more easily adapted to design and with A+++ accessibility rating.

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES continued

Strategic Development

The Trustees acknowledge that sustained resilience must be prioritised in the five-year strategy from 2024 onwards. Together with the Board and with the input of key stakeholders, the CEO is undertaking a 360 review of the organisation, to launch a new Strategy with supporting mission, vision and values in 2024. The Board and Executive are further supported in this development by Away Days, the most recent of which was held in October 2023, with a focus on strategy, bringing the Board and Executive Team together for an impassioned day of applied thinking, skilfully facilitated by an external source.

This ongoing growth of thinking and ideation is accompanied by a refreshed EDI strategy which is augmented by new partnerships with Revere Arts, a sector-leading agency and consultancy for global majority artists, and Organisational and Sector change-makers Ramps on the Moon specialising in disability-led arts, leading to a developed creation methodology and a more diverse portfolio of output across the organisation.

Summary

The Trustees consider that continuing savings on operating costs with activity costs rigorously controlled, the ability to adapt activity to income and the appointment of key members of staff together with significant step-change in organisational approach, strategic thinking and planning give a reasonable expectation that the charitable company has adequate resources to continue in existence for the foreseeable future.

The Trustees are confident therefore that the company will remain in operation for the foreseeable future, and they have adopted the going concern basis in preparing the financial statements.

Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds. Where grants are received in response to a proposal including a budgeted timescale, such that the timescale for the expenditure is implicit in the grant agreement, the income is recognised in accordance with that timescale.

Income from charitable activities is recognised over the period to which the income relates. Fees and box office revenues are recognised when the associated event takes place. Income received in advance is accounted for as deferred income.

Income is stated net of VAT and trade discounts.

Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Expenditure has been classified under headings that aggregate all costs related to the category.

Staff costs are allocated on the basis of staff time.

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES continued

Support costs, which are those costs relating to functions which assist the work of the charity but do not directly relate to its activities, have been allocated to the activities undertaken by the charity on the basis of direct expenditure on those activities.

Taxation

The charity is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable objects. Orchestral Tax Relief available for qualifying projects is recognised in the year in which the projects take place.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for the particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	Straight line basis over four years
Musical instruments	Straight line basis over ten years

Investments

Investments in subsidiary undertakings are stated at cost less provision for impairment.

Financial instruments

The charity only has financial instruments of a kind that qualify as basic financial instruments. Short term basic financial instruments are initially recognised at transaction value and subsequently measured at

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term. The only operating lease relates to the charity's premises.

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES continued

Prior period adjustment

The prior period comparatives have been adjusted to gross up VAT payable by the parent charity and recoverable by the trading subsidiary on intercompany transactions in the absence of a VAT group. These adjustments eliminate fully on consolidation and so the only effect is on the parent charity balance sheet and result for the year.

The effect on the parent charity can be summarised as follows:

	2023 £	2022 £
VAT liability	(43,237)	(30,771)
Opening reserves	30,771	17,486
Effect on result	<u>(12,466)</u>	<u>(13,285)</u>

2 INCOME FROM DONATIONS AND GRANTS

	2023 £	2022 £
Grants, corporate membership and other donations	210,661	352,667
Donations from individuals including Gift Aid	275,087	133,686
Patrons	54,448	44,417
	<u>540,196</u>	<u>530,770</u>

In the prior period, £156,328 of the income from grants and donations was restricted.

3 INCOME FROM CHARITABLE ACTIVITIES

	Concerts & staged events 2023 £	Outreach projects 2023 £	Total 2023 £	Total 2022 £
Fees and box office revenue	570,521	14,657	585,178	477,352
	<u>570,521</u>	<u>14,657</u>	<u>585,178</u>	<u>477,352</u>

4 EXPENDITURE ON RAISING FUNDS

		2023 £	2022 £
Staff costs	Note 9	97,779	102,513
Donor cultivation		5,380	15,099
		<u>103,159</u>	<u>117,612</u>

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5 EXPENDITURE ON CHARITABLE ACTIVITIES

		Concerts & staged events 2023 £	Outreach projects 2023 £	Total 2023 £	Total 2022 £
Direct costs	Note 6	634,499	232,966	867,465	828,445
Support costs	Note 7	134,589	49,417	184,006	210,654
		<u>769,088</u>	<u>282,383</u>	<u>1,051,471</u>	<u>1,039,099</u>

In the prior period, £202,829 of the expenditure on charitable activities was from restricted funds.

6 DIRECT COSTS

		2023 £	2022 £
Fees to:			
Players		491,757	450,253
Soloists		21,811	10,329
Conductors		2,500	6,700
Tutors and composers		42,591	27,975
Staff costs	Note 9	239,973	217,971
Concert and rehearsal hall hire		29,191	24,837
Instrument hire		2,675	1,310
Music hire and purchase		4,631	38,719
Advertising and marketing		3,960	11,685
Production costs		9,677	8,639
Programmes		767	700
Other direct costs		17,932	29,187
		<u>867,465</u>	<u>828,305</u>

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7 SUPPORT COSTS

		2023 £	2022 £
Staff costs	Note 9	40,357	48,561
Conductor's expenses		4,200	4,200
Premises costs		17,089	36,778
Other office costs		33,316	31,198
Computer costs		8,339	10,728
Insurance		11,004	9,697
Travel and motor expenses		6,148	4,286
Legal and professional costs		23,230	415
Marketing, consultancy and photography		9,929	23,976
Depreciation		4,701	6,949
Bad debts		-	6,290
Interest		293	426
Auditors' remuneration		4,800	4,800
Other fees paid to auditors: accountancy fees		20,600	22,350
		<u>184,006</u>	<u>210,654</u>

8 NET INCOME / (EXPENDITURE)

Net income / (expenditure) is stated after charging:

Auditors' remuneration for audit services	4,800	4,800
Auditors' remuneration for accountancy services	20,600	22,350
Depreciation	4,701	6,949
Rent paid under operating leases	12,303	32,760

As permitted by s408 Companies Act 2006, the parent charity has not presented its own Statement of Financial Activities and related notes. The parent charity's net income for the year was £33,073 (2022: net expenditure as restated £82,164).

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9 STAFF COSTS

	2023 £	2022 £
Salaries	338,598	330,526
Employer's National Insurance	31,871	30,473
Employer's pension costs	7,640	8,046
	<u>378,109</u>	<u>369,045</u>

The average number of employees based on headcount during the year was as follows:

	2023 No.	2022 No.
Concerts and staged events	2	3
Outreach projects	3	4
Fundraising	3	2
Administration and marketing	1	1
	<u>9</u>	<u>10</u>

During the year, the emoluments received by one member of staff fell in the band £80,001 - £90,000 (2022: one member of staff in the band £60,001 - £70,000).

10 TAXATION

	2023 £	2022 £
Orchestra Tax relief - payable to subsidiary company	<u>74,795</u>	<u>79,710</u>

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11 TANGIBLE FIXED ASSETS

Group and Charity	Musical instruments £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2022	10,550	46,361	56,911
Additions	-	2,232	2,232
Disposals	-	(9,249)	(9,249)
At 31 March 2023	10,550	39,344	49,894
Depreciation			
At 1 April 2022	6,191	40,804	46,995
Charge for the year	727	3,974	4,701
Disposals	-	(9,249)	(9,249)
At 31 March 2023	6,918	35,529	42,447
Net book value			
At 31 March 2023	3,632	3,815	7,447
At 31 March 2022	4,359	5,557	9,916

12 INVESTMENTS AND SUBSIDIARY COMPANY

The Charity owns 100% of the ordinary share capital of £1 of CLS Productions Limited a company incorporated in England and Wales (No 09084330) with the same registered office as the charity. The company's only activity is that of a production company. The company's results for the year and net assets at the end of the year were:

	2023 £	2022 £
Turnover	173,474	282,379
Expenditure	(248,269)	(362,089)
VAT adjustment	12,466	13,285
Tax recoverable	74,795	79,710
Profit for the year	12,466	13,285
Capital and reserves at end of the year	43,238	30,772

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13 DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	4,451	27,656	4,451	27,656
Amounts owed by group undertakings	-	-	74,795	106,840
Tax recoverable	74,795	106,840	-	-
Other debtors	13,420	7,500	7,500	7,500
Prepayments and accrued income	35,754	78,785	35,754	78,785
	<u>128,420</u>	<u>220,781</u>	<u>122,500</u>	<u>220,781</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	32,932	55,866	32,932	55,866
Tax and social security	27,364	30,584	64,681	61,355
Trustee loans	50,000	-	50,000	-
Accruals and other creditors	42,375	61,326	42,375	61,328
Deferred income	17,022	78,782	17,022	78,782
	<u>169,693</u>	<u>226,558</u>	<u>207,010</u>	<u>257,331</u>

Deferred income comprises:

Income deferred from the previous year

Released to the statement of financial activities

Arising during the current year:

Grants and donations required to be spent in future periods

	78,782	20,483
	(78,782)	(20,483)
	17,022	78,782
	<u>17,022</u>	<u>78,782</u>

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15 MOVEMENT IN FUNDS - 2023

	At 1 April 2022 - as restated £	Income £	Expenditure £	Transfers/ taxation £	At 31 March 2023 £
Unrestricted funds					
General fund	(24,547)	813,770	(790,767)	-	(1,544)
Designated funds:					
KidsSpace	1,875	-	-	-	1,875
Crowdfunding	-	7,088	-	-	7,088
Charity funds	(22,672)	820,858	(790,767)	-	7,419
Trading subsidiary	30,771	173,474	(235,803)	74,795	43,237
Group funds	8,099	994,332	(1,026,570)	74,795	50,656
Restricted funds					
Participation projects	10,150	79,542	(81,692)	-	8,000
Artist support & training	2,868	-	(2,868)	-	-
Musicians Award	-	5,000	(4,500)	-	500
Staff posts	-	39,000	(39,000)	-	-
Website	-	7,500	-	-	7,500
Group and charity funds	13,018	131,042	(128,060)	-	16,000
Total group funds	21,117	1,125,374	(1,154,630)	74,795	66,656
Total charity funds	(9,654)	951,900	(918,827)	-	23,419

Designated funds:

KidsSpace

The trustees have designated funds to a project entitled KidsSpace that is going to be a dedicated section of the CLS website, linked to the orchestras activities for young children aged 3-7 years, providing interactive game-based musical activities to be used by children in education or home environments, as an added value element to our existing projects in this area.

Crowdfunding

This fund relates to a fundraising event in March 2023 to raise funds for activities that will take place in the year to 31 March 2024.

Restricted funds:

The restricted funds arise from grants and donations to fund particular projects or items of expenditure, and unused income is carried forward to cover future expenditure on those areas. Details of restricted funds active during the year are as follows:

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15 MOVEMENT IN FUNDS continued

Participation projects

This fund comprises grants and donations received to support the charity's year-round programme dedicated to making music in schools, hospitals and communities and also grants and donations received to support the charity's work in hospitals and care homes to allow music to aid in the healing process and providing an outlet for those who need it most.

Artist support & training

This fund comprises funding received to support the performance of emerging artists in concerts and funding for staff training.

Musicians Award

This fund comprises a donation received to support the performance of emerging artists in concerts.

Staff posts

This fund relates to grant funding to cover staff costs.

Website

This fund comprises a donation from an individual specifically for website development.

MOVEMENT IN FUNDS - 2022 - as restated

	At 1 April			Transfers/ taxation	At 31 March
	2021 £	Income £	Expenditure £	£	2022 £
Unrestricted funds					
General fund	11,116	569,415	(605,078)	-	(24,547)
Designated fund:					
KidsSpace	1,875	-	-	-	1,875
Charity funds	12,991	569,415	(605,078)	-	(22,672)
Trading subsidiary	17,486	282,379	(348,804)	79,710	30,771
Group funds	30,477	851,794	(953,882)	79,710	8,099
Restricted funds					
Participation Projects	21,316	79,710	(90,876)	-	10,150
Artist support & training	5,203	2,868	(5,203)	-	2,868
Diary of a Young Naturalist	8,000	70,000	(78,000)	-	-
RPS Audience Fund	25,000	-	(25,000)	-	-
Website	-	3,750	(3,750)	-	-
Group and charity funds	59,519	156,328	(202,829)	-	13,018
Total group funds	89,996	1,008,122	(1,156,711)	79,710	21,117
Total charity funds	72,510	725,743	(807,907)	-	(9,654)

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15 MOVEMENT IN FUNDS - 2022 - continued

Diary of a Young Naturalist

This fund comprises grants from the Leche Trust, PRS and ACE toward the commissioned dramatic song cycle Diary of a Young Naturalist as part of the CLS 2021 50th Anniversary season.

RPS Audience Fund

This fund comprises a grant received from the Royal Philharmonic Society to support the CLS' audience development programme.

Website

This fund comprises donations from ACE specifically for website development.

16 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS - 2023

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2023 are represented by:			
Tangible fixed assets	7,447	-	7,447
Net current assets	43,209	16,000	59,209
	<u>50,656</u>	<u>16,000</u>	<u>66,656</u>

ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS - 2022

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	9,916	-	9,916
Net current assets	(1,817)	13,018	11,201
	<u>8,099</u>	<u>13,018</u>	<u>21,117</u>

17 FINANCIAL COMMITMENTS

At 31 March 2023 the charity was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Land and buildings		
Due within one year	4,219	10,000
In two to five years	-	4,219
	<u>4,219</u>	<u>14,219</u>

CITY OF LONDON SINFONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

18 RELATED PARTY TRANSACTIONS

The following are considered to be the charity's key management personnel:

- The Board of Trustees
- Chief Executive
- Chief Operating Officer

The total amount of employee benefits received by key management personnel during the year, including Employer's National Insurance and pension, was £81,773 (2022: £116,290).

There were no trustees' remuneration, other benefits nor reimbursed expenses paid during the current or prior period.

In aggregate, trustee donations were £269,502 (2022: £147,560) including gift aid. In addition to the donations, one trustee provided an interest free loan of £100,000 (2022: £Nil). The balance outstanding at the year end was £50,000 (2022: £Nil), with the other £50,000 having been converted to a gift to the charity.

19 STATUS

City of London Sinfonia Limited is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £5 per member of the charity. The address of the registered office is 1st Floor Radisson Court, 219 Long Lane, London, England, SE1 4PB.