



**Company Registration No. 83608**

**Charity Registration No.232391**

**London Symphony Orchestra Limited  
(Consolidated)**

**Report and Financial Statements**

**For the year ended 31 July 2020**



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London Symphony Orchestra Limited

Report and financial statements 2020

Contents	Page
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Independent auditor's report</b>	<b>17</b>
<b>Consolidated statement of financial activities</b>	<b>19</b>
<b>Consolidated balance sheet</b>	<b>20</b>
<b>Consolidated statement of cash flows</b>	<b>21</b>
<b>Notes to the accounts</b>	<b>22-42</b>

# London Symphony Orchestra Limited

## Report and financial statements 2020

### Officers and professional advisers

#### **Chair**

David Alberman\*

#### **Vice-Chairs**

Clare Duckworth\* (Retired 26 February 2020)

David Jackson\*

Harriet Rayfield\*

#### **Managing Director**

Kathryn McDowell CBE

#### **Other Directors**

Angela Barnes\*

Anthony Bloom

Matthew Gardner\*

Richard Hardie

Niall Keatley\*

Dame Mary Marsh

Jonathan Moulds CBE

Olivier Stankiewicz\* (Appointed 26 February 2020)

Janis Susskind OBE

\* Playing Members of the Orchestra

#### **Company Secretary**

Rikesh Shah

#### **Company Number**

83608

#### **Charity Number**

232391

#### **Registered Office**

Barbican Centre, Silk Street, London EC2Y 8DS

#### **Bankers**

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

#### **Solicitors**

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

#### **Auditor**

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

# London Symphony Orchestra Limited

## Directors' report (continued)

The Directors of the London Symphony Orchestra Ltd ("LSO") present their Annual Report and Financial Statements for the year ended 31 July 2020.

### **Administrative details**

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

### **Structure, governance and management**

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

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

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

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

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

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

### *Board Recruitment, Induction and Training*

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

Induction processes for Directors are dealt with on a one-to-one basis. These include the provision of the company's governing documents, the most recent Annual Report and Accounts and recent Board and Committee minutes, as well as an explanation of the governance responsibilities of Directors.

### *Key Management Remuneration Policy*

Remuneration of all players and staff, including key management, is set during the annual budgetary process and benchmarks are used where relevant. Annual budgets are endorsed by the Finance Committee and approved by the Board of Directors.

### **The LSO's mission, objectives and activities**

The LSO is a 21st century orchestra with a mission to bring the greatest music to the widest possible range of people in which the boundaries between learning, teaching and performing cease to exist. As the Resident Orchestra at London's Barbican Centre, the LSO regularly performs throughout the UK and overseas, with its signature sound emanating from the combined virtuosity of its outstanding musicians and its family of artists, led by Music Director, Sir Simon Rattle.

# London Symphony Orchestra Limited

## Directors' report (continued)

This mission is at the heart of everything the LSO does, with a strong vision of being the world's leading orchestra by delivering the following objectives:

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

### Public Benefit

Directly engaging with the public is key to all aspects of the LSO's work and the Directors take particular account of the Charity Commission's guidance in this area. There is a clear focus on ensuring the widest possible access to the broadest range of people to the LSO's performances, recordings, broadcasts and its education and community work. The LSO's *concerts in the UK and overseas give enjoyment to many people each year, either by attending these performances in person or through broadcasts, streaming and recordings.* Together with commercial recordings, including for film scores, millions of people hear the LSO's musicians each year.

The LSO invests in long-term initiatives to ensure that the enjoyment of and participation in music by the public at large remains at the heart of the LSO's core activities. The lowest ticket price for a Barbican Concert is currently £12 for adults and all under-18s pay £5 ensuring that the Orchestra's live performances are widely accessible. A selection of musical events at LSO St Luke's and pre-concert performances at the Barbican are free of charge. Also a significant number of concerts are live streamed free on LSO YouTube channels, broadcast on Classic FM or BBC Radio 3.

### STRATEGIC REPORT

The Directors in preparing this strategic report have complied with section 414C of the Companies Act 2006.

### Achievements and performance

#### Overview

During the financial year, the LSO completed six months of the third Season of Sir Simon Rattle's tenure as Music Director. Between 14 September and 15 March, the LSO played 43 concerts at the Barbican, and performed to full houses in seven cities across China, and Vietnam and many European late summer music festivals. The Orchestra welcomed when possible, the world's leading composers and guest conductors and presented performances by world-class soloists. The LSO's education and community programme LSO Discovery, expanded their portfolio and delivered many programmes remotely, adding to an already impressive range of engagement projects. LSO St. Luke's and the LSO record label and broadcast arm, LSO Live, all continued to grow and develop new partnerships, and fulfil a key role in

# London Symphony Orchestra Limited

## Directors' report (continued)

the LSO's survival strategy during the COVID-19 crisis. Full details of the achievements and performances during the year are set out below.

On 15 March 2020, the LSO played the last concert together in this financial year, as COVID-19 prompted the blanket lockdown that continued until the late summer.

In order to sustain an LSO presence at home and abroad, the Orchestra moved swiftly to establish an enhanced free digital programme under the banner *Always Playing*, which provided free-to-view archive concerts screened twice a week on YouTube, to replicate the Orchestra's scheduled Barbican programme on Thursday and Sunday evenings. LSO musicians, conductors and guest artists collaborated, filming introductions and new performances from home, and interacting with viewers on YouTube. These broadcasts were viewed over 132,000 times by audiences from over 40 countries, while LSO musicians' Coffee Sessions (short solo or chamber performances) were viewed over 350,000 times. The platform also led to a partnership with CorpArtes Foundation in Chile, which involved creating a translated version of *Always Playing* and *LSO Play*, creating a framework for similar international partnerships in the future.

<https://lso.co.uk/whats-on/2019-20-season/alwaysplaying.html>

In addition, new content was created for *LSO Play*, <https://play.lso.co.uk/performances> a free interactive and immersive web app, which allows the viewer to experience the LSO on stage at the Barbican – anytime, anywhere.

*LSO Play* hosts concerts of Elgar's *Enigma Variations*, Debussy's *Prélude à l'après-midi d'un faune*, and Shostakovich's Fifth Symphony, with more works available, all filmed in High Definition during the LSO's Barbican season. *LSO Play*, offers masterclasses with LSO players, contextual information on the musical background and history of the repertoire, and resource packs for teachers. <https://lso.co.uk/lso-discovery/schools-young-people/resources-for-teachers.html>.

Since the 2019/20 season ended in July 2020, the Orchestra continued to perform weekly short new music items filmed by the players at home, and further archive chamber concerts recorded at LSO St. Luke's were streamed to audiences on *Always Playing*. Members of the Orchestra involved in the teaching and mentoring work generated by LSO Discovery's numerous education projects, carried on delivering this work digitally throughout the spring and summer terms. During June and July, Members also delivered digital teaching as part of overseas partnerships with Music Academy of the West (Santa Barbara) and the Mediterranean Youth Orchestra (Aix-en-Provence).

LSO Members took part in two major recording initiatives: *Never to Forget* – a virtual, visual and acoustic memorial project dedicated to 122 UK health and care workers who were among the first to have died in the COVID-19 pandemic, composed by Howard Goodall CBE and commissioned by the London Symphony Chorus. <https://www.youtube.com/watch?v=sKeLR7gtzOs> The single release of *You Are My Sunshine* brought together 11,000 voices from around the world, with LSO musicians, in the climax of Gareth Malone's **Great British Home Chorus** project, with all profits from the EP release donated to NHS Charities Together.

There were a number of significant new digital projects for younger audiences launched during lockdown. '*Where's Simon?*' was devised and produced by regular collaborators on concerts for children and families, LSO Principal Flute, Gareth Davies and animator/director Victor Craven.

<https://lso.co.uk/whats-on/alwaysplaying/digitalactivities/wheres-simon.html>. This six-minute film, features Sir Simon Rattle playing himself, as he gathers the musicians of the LSO to rehearse a special stay-at-home concert. The film includes cameos by LSO musicians introducing their instruments and provides an opportunity for viewers to play along in the final performance of Mozart's *Marriage of Figaro Overture*. Victor Craven wove together a tapestry of videos, self-recorded by the musicians at home, using graphics and animation.

The LSO also collaborated with the Government's Department of Media, Culture and Sport (DCMS), on a series of pilot concerts at LSO St Luke's. These were half hour concerts played by small ensembles of musicians, with audiences of up to 30 as government guidance allowed in number, performed three times each Friday during July and August. Mounting these concerts allowed for detailed investigation of the effectiveness and robustness of the social distancing guidelines and safety measures outlined by DCMS for musicians and audiences. Streamed live, the series was curated by the

# London Symphony Orchestra Limited

## Directors' report (continued)

players, and provided a welcome opportunity to play live music again outside the home. It also helped LSO staff prepare LSO St Luke's for becoming the Orchestra's temporary performance home from late August, until the Barbican becomes available.

### Barbican residency

For the first six months of the year under Sir Simon Rattle's artistic leadership, the LSO and its family of artists continued an exploration of the roots, origins and future of music, incorporating eastern European works by Janáček, Dvořák and Bartók. Gianandrea Noseda and François-Xavier Roth, LSO Principal Guest Conductors, presented concerts exploring Russian, and Hungarian music; and LSO Conductor Laureate Michael Tilson Thomas celebrated his 50-year association with the LSO conducting Berlioz's *Romeo and Juliet*, and a Russian programme including Tchaikovsky's Violin Concerto with Nicola Benedetti as guest soloist. New conductors such as Karina Canellakis made successful debuts, and regular guest, Sir Antonio Pappano, had particular success with his Tippett/Vaughan Williams concerts, not least, the latter's 4<sup>th</sup> Symphony on election night and the 6<sup>th</sup> Symphony on what turned out to be the Orchestra's last concert before closure of the Barbican. In addition, Sir John Eliot Gardiner conducted two concerts of Czech masterpieces.

The LSO's start to the 19/20 season was opened once again with an all British programme, by Sir Simon Rattle, with a world premiere from Emily Howard who has come through all the LSO's young composer schemes in the last 15 years. This piece was commissioned for Sir Simon Rattle and the LSO by the Barbican. This concert was followed by a month of Barbican concerts and touring, culminating in a three week tour to Hong Kong, China and Hanoi, Sir Simon's first visit to Vietnam.

In the New Year we undertook a major European tour with Sir Simon and the LSO performing Beethoven's seldom heard *Christ on the Mount of Olives*, which was one of the great 'finds' of the Beethoven 250 celebrations, and formed a part of Beethoven 250 series at the Barbican along with Beethoven's Symphony No.9. The performance attracted much praise from audiences and critics and is likely to be a highlight of LSO Live autumn release schedule.

Further new work was presented in December with Sophya Plevaya's new piece *Spellbound Tableaux* receiving its first performance in a programme conducted by François-Xavier Roth whilst In February Elim Chan conducted a programme including the third world premiere of the season, James Hoyle's *Thymiatierion*.

A highlight in March was the LSO's first collaboration with André J Thomas, America's leading conductor of Gospel music, bringing together London Gospel choirs and international soloists in this field, forging a partnership that will be developed in future years.

Press and audiences responded favourably to programming of new and contemporary repertoire alongside classical works, with LSO's Barbican concerts averaging 85% capacity in the early part of 2019/20. At LSO St.Luke's a programme of recital concerts which furthered the exploration of roots and origins, was presented in partnership with BBC Radio 3. In addition to the live performance programme, there continued a complementary series of study days, chamber, and free lunchtime concerts.

A wide range of leading international soloists performed with the LSO during the six months of performances including Emanuel Ax, Aleš Brisecin, Nicola Benedetti, Khatia Buniatishvili, Karen Cargill, Alice Coote, Peter Donohoe, Alina Ibragimova, Janine Jansen, Leila Josefowicz, Denis Matsuev, Truls Mørk, Dorothea Röschmann, Christian Tetzlaff, Simon Trpčeski, Pavla Vykopalová and Alisa Weilerstein.

The LSO presented the National Youth Orchestra of Great Britain at the Barbican in a typically blazing concert at the start of the New Year.

LSO Discovery also collaborated with Barbican Guildhall Creative Learning and the National Open Youth Orchestra (NOYO). In February 2020, NOYO did a taster workshop as part of LSO Discovery's Make Music Day for young people with learning disabilities and their families. The session was led by NOYO Assistant Musical Director Charlie Groves and workshop leader Bea Hubble, alongside Leo - a current member of the NOYO ensemble. The theme of the Make Music

# London Symphony Orchestra Limited

## Directors' report (continued)

Day was 'How to Build an Orchestra' and Beethoven's Sixth Symphony. NOYO created a soundscape of a sunrise in response to the first movement, and after each workshop, the piece was performed to all participants in the hall in both sharing sessions.

The LSO's range of audience development initiatives proved successful. This included thematic programming, Roots and Origins, which introduced less familiar repertoire and broadened the audience experience. There was growth within ticket pricing schemes aimed at drawing in larger and new audiences from all backgrounds, including Student Pulse (low priced tickets for university students with over 13% take-up) and Wildcard tickets (priced at £10 but with no choice of seat, with take-up of more than 30%).

The LSO grew the Half Six Fix series within the Barbican season, presenting three one-hour performances starting at the earlier time of 6.30pm, with each piece introduced by the conductor, offering a new level of insight and a more personal level of engagement with the audience. Half Six Fix concerts included Prokofiev's Symphony No 5, introduced by Michael Tilson Thomas and Berg's *Seven Early Songs* paired with Beethoven's Symphony No 7 and Symphony No 9 conducted and presented by Sir Simon Rattle. The relaxed, shorter approach continued to attract a broader range of ages and a greater number of infrequent attenders, compared to main season concerts. Enhanced presentation elements included digital programme notes accessed through the audiences' own mobile phones, and live video screens highlighting the players and soloists.

During the financial period, ticket prices increased incrementally, in keeping with the new structure of pricing and discounting that was put in place from September 2017. Customer behaviour remained largely consistent despite significant changes, yet with an increase in spend and a small increase in frequency.

### **Other UK Performances**

In August 2019, the Orchestra performed a concert as part of the BBC Proms with Sir Simon Rattle and Felix Mildenberger conducting a programme of Koechlin, Varèse and Walton. During the same month, the LSO performed at the Edinburgh Festival with Sir Simon Rattle conducting Adams' *Harmonielehre* and Rachmaninoff's Symphony No.2. Before lockdown, the Orchestra with Sir Simon Rattle were able to perform a programme including Berg and Beethoven at Symphony Hall in Birmingham. Unfortunately, due to the COVID-19 pandemic and Government restrictions on social distancing, the planned annual BMW Classics free open-air concert in Trafalgar Square was unable to go ahead and has been postponed by a year.

### **International**

The LSO began the year with a full busy diary of overseas engagements, the combined talent of the LSO and its family of conductors remaining one of the most sought-after partnerships on the global orchestral music scene. Between August 2019 and March 2020 the Orchestra made regular trips to European countries giving a total of 26 concerts, including Hungary and Latvia, in addition to concerts in Paris and performances in a number of major German cities – Baden-Baden, Bonn, Cologne, Frankfurt, and Hamburg. Invitations from overseas promoters further afield continued, with the LSO maintaining a high international profile through international touring, with return visits to China and an outstanding outdoor concert for thousands in Hanoi, Vietnam.

The new coaching and mentoring partnership between the LSO and the Music Academy of the West in Santa Barbara, California, involving LSO members, continued digitally during the lockdown period, with the transatlantic coaching exchange, successfully accomplished using Zoom technology. Likewise, LSO Discovery delivered digital coaching for the Mediterranean Youth Orchestra, despite the cancellation of the scheduled Aix-en-Provence Festival. The strength and depth of the Orchestra was further illustrated in recordings of concerts distributed to broadcasters in 118 countries, including the key markets of Japan, South Korea, Switzerland, Sweden, Australia and the USA. With the majority of LSO Live's sales overseas, LSO Live's geographical markets for physical goods included 33 countries and its digital distribution reached over 200 countries. Regular sales occur in around 150 different countries each month, including places such as Burkina Faso, Haiti and Iraq, where there is no immediate link with the LSO. Filmed concerts were broadcast across a number of international TV and online partners, including Mezzo in HD, medici.tv, BBC and QQ Video.



# London Symphony Orchestra Limited

## Directors' report (continued)

### LSO Discovery

LSO Discovery continues to be an inspirational programme of participatory and inclusive music projects. With the London Symphony Orchestra members at its heart, the programme aims to develop creativity in people of all ages and to allow them to reach their highest musical potential, give young people the thrill of live orchestral music and provide access to a creative musical experience relevant to the widest range of people.

During the financial year, LSO *On Track* expanded with the addition of the LSO East London Academy, which was piloted in the autumn of 2019. Twenty young string players, selected across an intensive weekend during the summer of 2019, worked on string orchestra and chamber repertoire, coached by an LSO team, and performed in a showcase in November 2019. The creative ensemble Classical Meets Jazz, run in partnership with Hackney Music, performed at the Hackney Music Service Gala, led by Andy Grappy, and supported by LSO members Naoko Keatley and Sam Walton. This project explored practical approaches to participation in classical and jazz music by children and young people from under-represented, culturally/ethnically diverse and socio-economically disadvantaged backgrounds.

The Choirs had a busy few months in the early half of the year. Highlights included the LSO Community Choir's first appearance at the BBC Proms, performing *In the Name of the Earth* by John Luther Adams; the *Symphonic Gospel Spirit* concert with Dr André Thomas (which included the participation of singers from three partner community choirs); and *A Choral Christmas* with the LSO Brass section. Simon Halsey led two Singing Days exploring Beethoven and Mahler. Ahead of the release of the book publication *How to Build an Orchestra*, the Family concert; the Key stage concerts; and the Make Music Day for young people with learning disabilities in March, were all based on the book. Alongside the monthly LSO Create Monday club sessions at LSO St Luke's, the Community strand, led LSO Create outreach sessions in Special Education Needs and Disabilities (SEND) colleges and Continuing Professional Development sessions for staff at the Royal London Hospital Play team, focusing on storytelling through music, and confidence in singing outside of the LSO sessions.

There were record attendances at the LSO Discovery Friday Lunchtime concerts, and audiences for relaxed performances attended by groups from day centres for adults with learning disabilities and special schools, grew too, with over 120 people at the last performance in February. There were popular LSO Discovery Days on composers, Janáček, Berg and Beethoven. In addition, composers Daniel Kidane and Amir Konjani, curated their unforgettable second and final concerts as part of the Jerwood Composer+ programme. The LSO Soundhub showcase in February, made imaginative use of LSO St Luke's' technical and spatial capabilities. LSO players' work with the Guildhall School of Music & Drama, included Orchestral Artistry sessions on Britten's *Four Sea Interludes*; coaching for the Guildhall Symphony Orchestra; and a public workshop on Stravinsky's music led by Michael Tilson Thomas. Fourteen students from London's music colleges were successfully recruited into the 2019-20 String Experience programme.

Whilst on the international tour to the Far East in September, LSO players led masterclasses for students of the Hong Kong Academy of Performing Arts. These masterclasses had a great response from staff and students alike, who immensely valued the player insight into the life of an international orchestral musician. LSO Discovery also continued delivering creative music projects for community partners in Tokyo, in partnership with the British Council in Japan, including a centre for children with learning disabilities and older adults, alongside practical training for Japanese professional musicians wishing to expand their skills in the area of music outreach. The work in Japan and Hong Kong allowed LSO Discovery to explore and develop sustainable and achievable LSO Discovery models, which can be taken on subsequent international tours, in order to share the LSO's practice and support the community and learning work for LSO touring venues.

### LSO Discovery's Response to COVID-19

In the spring of 2020, LSO Discovery had to offer alternative musical engagements to participants and communities during the UK-wide COVID-19 lockdown. The priority was to maintain meaningful musical engagement through online and distanced means, with communities and partners wherever it was possible. In summary, during the lockdown period, LSO Discovery was able to deliver 240 live online sessions, aged from 7 months to 90 years. This included:

# London Symphony Orchestra Limited

## Directors' report (continued)

- Live music sessions for *Shake Rattle and Roll* families with under 5s;
- Live LSO Create and Special Schools sessions for people with learning disabilities;
- Online masterclasses, lessons and Q&As for students of the LSO East London Academy;
- Online sessions with teachers from the LSO On Track Music in the Classroom CPD course;
- Repertoire and technique videos for singers in LSO Discovery and LSO Community choirs;
- Repertoire masterclasses and '*Managing the Profession*' sessions for students on the Guildhall's Masters in Orchestral Artistry course, as well as mentoring sessions for String Experience students;
- Coaching sessions for the Mediterranean Youth Orchestra on behalf of the Festival d'Aix;
- Weekly Zoom sessions with the London Symphony Chorus, led by Simon Halsey, and delivering vocal coaching sessions for Chorus members throughout lockdown.

LSO Discovery also greatly expanded its digital learning resources, creating 38 new pieces of digital content produced for or by LSO Discovery communities. Rachel Leach supported the expansion of free interactive digital resources for schools and families, all available on the LSO's website. Extension and listening activities were developed for all six pieces on LSO Play. A new creative project pack for families and teachers was created to accompany the book, *How to Build an Orchestra*. In addition, an interactive storytelling *Sound Explorers* chamber concert took place for Key stage 1, based on the book *Olivia Forms a Band*. LSO Discovery archive content also supported the LSO *Always Playing* output, including the stream of the LSO Soundhub concert, as part of the composer focus in June (recorded in Feb 2020), as well as two Friday Lunchtime concerts from the archives.

An exciting development as a result of lockdown was the creation of a Spanish-language version of LSO Play, in support of a partnership with Fundacion CorpArtes in Santiago, Chile, who had recognised the quality of the resource and the LSO's holistic and educational approach to sharing music. The licensing of this content in Spanish, provides a welcome source of income for the LSO, and this project has meant that it will be possible to add further languages to LSO Play in the future, making further licensing arrangements and income streams possible, as well as increasing the international audience for LSO Discovery resources. Feedback from participants and players has been overwhelmingly positive, and there has been a huge amount of learning from the last six months that can be taken forward, as LSO Discovery moves into a new learning environment, blending live and digital interactions. The LSO Discovery and Digital team, LSO players and Discovery artists have been fantastic and generous with their creative energy during this difficult time.

### LSO St Luke's

LSO St Luke's is a unique concert venue run by the LSO and is the home of LSO Discovery. Regular community groups, including the LSO Community Choir, LSO Discovery Choir, Gamelan Group, Digital Technology Group and LSO Create, all convene at LSO St Luke's during term-time. The fully accessible venue is a hive of activity with diverse music events for all ages, from concerts for families with young children to activities for lifelong learning. As well as hosting LSO rehearsals each year, there is a full programme of concerts, with artists and groups performing from across the musical spectrum.

Through the early part of the year, LSO St Luke's hosted a broad range of community and education projects including LSO Singing Days and a variety of masterclasses, open rehearsals and workshops. Many of these projects also culminated in public performances in the Jerwood Hall at LSO St Luke's. In February, LSO St. Luke's hosted the first Culture Mile Community Day with over 600 people taking part in free music, arts and craft activities.

Artistically, LSO St Luke's continued its highly successful partnership with BBC Radio 3, with its series of lunchtime concerts, with a broadcast audience reach of over two million for each set of four concerts. The programme complemented the LSO Barbican concert series, exploring the roots and origins and future of music. Other opportunities to experience and participate in music were offered through free LSO Discovery Lunchtime Concerts and ECHO Rising Stars concerts, staged in partnership with the Barbican. LSO St Luke's played host to the series of relaxed performances mentioned above. At LSO St Luke's, Jerwood Composer + artists Daniel Kidane and Amir Konjani curated an evening

# London Symphony Orchestra Limited

## Directors' report (continued)

of their own new music and pieces by Kerry Andrew, Andrew Hamilton, Kaija Saariaho, Orlando Gough, David Lang and Julian Anderson.

Relationships continue with many other London arts organisations who also used LSO St Luke's for rehearsals, recordings and performances. Until lockdown, LSO St. Luke's welcomed new and returning commercial clients, hosting conferences, award ceremonies, drinks receptions, gala dinners and other events generating income. These commercial activities sustain the building for public use and in particular for the LSO Discovery Programme.

### LSO St Luke's Response to COVID-19

LSO St Luke's has played a vital part in the LSO's road to recovery, following the relaxing of the lockdown measures during the summer. Initially playing host to a series of streamed chamber concerts through the summer months, LSO St Luke's became the LSO's sole rehearsal and performance venue and is expected to continue to do so, until the re-opening of the Barbican Hall.

### **LSO Live**

The label had a strong programme of new releases over the past financial year. *This is Rattle* received *BBC Music* Orchestral Choice and *Gramophone* DVD of the month. The Gardiner/Schumann cycle launched with fantastic reviews across Europe, and pleasing sales performance. Two albums were released in October: the continuation of Nosedá's Shostakovich cycle and Rattle's Bruckner Symphony No.6. *Presto Music* declared Shostakovich's Symphony No.4 one of the best recordings of 2019. LSO Live started 2020 strongly with the last album in Sir John Eliot Gardiner's Schumann cycle reaching No.4 in the UK and No.10 in the US classical charts, receiving 'Album of the Week' from Classic FM, Scala Radio, Radio France and Presto Classical, and excellent reviews across the board, including 5 stars from BBC Music Magazine.

In March the LSO Percussion Ensemble returned to the label, with a new album featuring jazz pianist and composer Gwilym Simcock, of which MusicWeb International said 'percussion albums don't come much better than this'. In April, Gianandrea Nosedá continued his Shostakovich Symphony cycle, which has been receiving praise across the globe, including from ABC Classic FM in Australia, ResMusica (France), who noted that 'a great master in interpretation of Shostakovich is being born' and Austria, with the Weiner Zeitung highlighting Nosedá's nuanced understanding of the composer's music.

New recordings of Schumann and Weber with Gardiner, were also released in April 2020, and BBC Radio 3 championed the Orchestra's exhilarating performance' in the *Overture, Scherzo and Finale*, while Weber's *Overture: Euryanthe* was the label's most streamed track of the year on Amazon Music. These two digital only tracks, reported close to 400,000 streams. In May, the third volume in the Panufnik Legacies series was released, bringing the music of the 12 young composers, to over 70,000 people in more than 75 countries.

Filmed concerts were broadcast through international media partners Mezzo, Takt 1, Marquee TV, Classica and Medici, and localised broadcasts in Germany, South Korea and Netherlands.

67% of LSO Live's income was generated from digital revenues. During the financial year, LSO Live achieved 60 million streams, 70,000 downloads and 13,770 physical units sold. Streaming continues to offer the LSO a vast reach of listeners and high profile worldwide. The USA continues to dominate with 30% of volume, followed by the UK, Germany, Spain and Mexico. Apple Music accounted for 38% of all digital revenue, with Spotify following closely with 37%, and Amazon has grown to account for just over 6% of digital activity. Overall, digital activity grew by 20% year on year.

### LSO Live's Response to COVID-19

The spread of Coronavirus around the globe had a dramatic impact on business, and the team had to reimagine plans and campaigns, and strive to achieve as much income and new releases as possible, in extraordinary circumstances. However, within days of the Barbican closure, the LSO launched an enhanced programme of online content to keep listeners and viewers around the world connected to music, the LSO and to each other during the

# London Symphony Orchestra Limited

## Directors' report (continued)

pandemic. This was only possible because of the investment the LSO has made in LSO Live – building, and owning a rich catalogue of audio and audio-visual content. This provided the framework for a strong digital presence, through *Always Playing*. Over 100,000 unique viewers have watched this series of broadcasts, with 43% under the age of 35. This initiative generated a large amount of press coverage, assisted in stimulating additional patron support; all delivered without any online advertising spend. *Always Playing* piqued the interest of a number of international concert partners, and has the potential to evolve into a longer-term model for international collaboration. The LSO Live team maintained post-production work for future albums, as well as a regular pattern of new releases for the label. Recent British Phonographic Industry market reports confirmed that the LSO Live label maintained the same market share as in the prior year, and continues to have the largest streaming share of all the independent UK labels.

### Plans for the 20-21 Season

LSO Live is working to maintain business as normal wherever possible. The continued release schedule and healthy digital income is an important focus for the LSO brand, while the orchestra is unable to perform live. During the year, the team worked tirelessly to adapt audio-visual masters, to deliver a substantial programme of content for the digital domain. There is a strong desire to ensure that label activity can be continued wherever possible, whilst recognising that new recordings are not feasible until orchestral activity returns after Government COVID-19 restrictions are lifted. It will be critical to work with broadcast partners as soon as a live orchestral season is once more available, so that the LSO can balance the cost of producing TV quality concerts, and monetize live streams wherever possible.

### **Diversity**

The LSO values and promotes diversity in artistic programming, musicians and other artists, emerging artist development programmes, participants, audiences and workforce. The LSO encourages an organisational culture, where individuals are supported, engaged and enabled to develop skills and talents. Through this culture, the LSO generates an enormously creative output, influenced and excited by diverse ideas and constantly broadening repertoire and audiences.

Female artists and composers featured prominently across the season, with female conductors playing an increasing role. LSO composer programmes reflect a wide musical and cultural background, whilst the range of people who engage with LSO Discovery's projects, mirror the breadth of London's population. More generally, a focus on diverse programming at LSO St. Luke's and the Barbican has helped to broaden the LSO's appeal to new audiences.

The breadth of LSO Discovery's work with young people, adults and emerging artists reflects the LSO's commitment to nurturing and investing in the diverse communities of England today, including those with protected characteristics. The LSO devises programmes in response to carefully researched need, often in partnership with other specialist organisations, working collaboratively to ensure fair selection (or open access) criteria and practices are established and implemented. Most activities are free to participants. Consultation with participants, music leaders, LSO players and partner organisations continually shape these programmes. Feedback and evaluation (internal and external) also leads to new initiatives, such as the forthcoming 'Young Create' and a workshop-leading module in Orchestral Artistry.

In January 2020, the LSO formed a Diversity Action Group with volunteers from across the organisation, including two Members of the Orchestra who also sit on the LSO Board and Orchestra Committee. This group is tasked to develop a new, detailed Diversity Action Plan, encompassing a programme of smart objectives and reporting mechanisms.

During 2019, the profile of the LSO's governing committees were reviewed in the context of specialist skills and experience required, but also in terms of diversity. As a result, the LSO is pleased to confirm the formal appointments of Janis Susskind and Harriet Rayfield to the board of LSO Ltd. Ms Susskind was also appointed to the LSO's Finance Committee. Judge Anuja Dhir QC was appointed to the board of LSO Productions Ltd; the LSO's trading subsidiary and Maxine Kwok to the Orchestra Committee.

# London Symphony Orchestra Limited

## Directors' report (continued)

A recent diversity review of the LSO's Board and Senior Management Team showed 64% were of a white British background and 36% were of a different ethnicity. 13% were aged 20-34. 32% were aged 35-49. 32% were aged 50-64 and 23% were 65 or over. The gender balance was 50:50.

Arts Council England's 'Diversity in Classical Music' survey, has been incorporated into an LSO bespoke questionnaire, which was completed by all staff and members in June 2020, to cover all questions in the Arts Council's questionnaire. In addition, reporting on diversity and inclusivity activity and developments is the first agenda item at each monthly Head of department meeting.

On 1 March 2020, the LSO played their first full symphonic Gospel Concert with over 400 singers from community choirs and a semi-professional Gospel Choir. In June 2020, Sir Simon Rattle was due to conduct the LSO and Jazz at Lincoln Center Orchestra with Wynton Marsalis, and for the 2020 free BMW Classics concert in Trafalgar Square there was to be a full jazz and dance inspired programme – including the world premiere of *FAIYA!*, a specially commissioned work by Ayanna Witter-Johnson. This dance inspired piece would have brought together LSO musicians with 55 young musicians from East London in the LSO On Track programme, and 20 Guildhall School of Music & Drama students.

As part of the LSO's ongoing commitment to supporting new music and the next generation of composers in the UK, there was a weekend of *Always Playing* online events during the summer, with music from over 20 composers who have participated in one of the LSO's acclaimed music schemes: the Panufnik Composers Scheme, Soundhub and Jerwood Composer+. Composers featured include Ayanna Witter-Johnson, Ewan Campbell, Cevanne Horrocks-Hopayian, Donghoon Shin, Alex Roth, Matthew Sergeant, Patrick Ciguère, Sasha Siem, Bethan Morgan-Williams, Michael Taplin, Benjamin Ashby, Joanna Lee, Alex Ho, Sun Keting, Alex Groves, Anselm McDonnell, Emma-Kate Matthews, Ninfea Cruttwell-Reade, Sam Cave, and Daniel Fardon.

The LSO completed numerous studio recording sessions with diverse artists. Since the summer of 2020, there has been the release of the Sheku Kanneh-Mason Elgar Album, Bing Crosby White Christmas, and Emeli Sandé, and an album recording with Gregory Porter *All Rise*. The LSO recorded an album with Sergey Smbatyan (Artistic Director / Principal Conductor of the Armenian State Symphony Orchestra, who participated in an LSO Conductor Masterclass (in around 2010) of repertoire by Edward Mirzoyan and Aram Khachaturian, as well as Alexey Shor's *Great Siege of Malta*. In August 2020, Dr L. Subramanian's Bharat Symphony was released to celebrate Indian Independence Day, following the global video single launch in May 2020. LSO Live's Panufnik Legacies III album was released in May has, so far, been streamed by 40,000 people in 75 countries.

The LSO East London Academy completed its pilot year, recruiting 20 string players with 15 being from Black, Asian and Minority Ethnic backgrounds. Informed by ten years' experience of partnership with all ten East London boroughs, the LSO East London Academy, aims to identify and develop the musical potential of young people aged 11-18 years from East London, irrespective of background or financial circumstance, who show outstanding talent. This programme has been developed at a time when young people across the country are dropping out of music education at secondary school age at an alarming rate.

One of the first programmes to be re-launched digitally after lockdown was LSO Create, which offers opportunities for adults with learning disabilities, their supporters and carers, to engage with the LSO as audience members, active music-makers and performers. Four sessions took place during May to July on Zoom for twenty LSO Create members who were adults with learning disabilities. Led by Mark Withers, each session transformed into individual 1:1 sessions between an LSO player and a participant. This work is being developed to create a new audio piece, in response to images contributed by participants, following the theme of Kindness Contagion. Recordings from the sessions will be edited together, to share publicly. In addition, LSO Discovery produced a series of videos of music learning content for special schools partners, led by LSO Players.

### Partnerships

The LSO's success is reliant on the strong partnership with the City of London Corporation and Arts Council England. Their vital investment, combined with that of the private sector; ticket sales; income from strategic partnerships around

# London Symphony Orchestra Limited

## Directors' report (continued)

the globe; and commercial income from recordings and other engagements, builds financial resilience and enables the LSO to deliver its vision.

The LSO continued to deepen its partnership with the Barbican; the Guildhall School of Music & Drama, on the Centre for Music project, and with the London Museum on the Culture Mile initiative, delivering an eclectic range of community based activity in the area.

The LSO invests significant effort in nurturing, developing and strengthening relations with key stakeholders and partners. Strong relationships with sponsors and donors continue to be central and pivotal to the LSO's success. The LSO's corporate supporters stand alongside the LSO at concerts in London and around the world. The Principal Partnership with BMW, continues to be strong despite the BMW Classics open-air concert in Trafalgar Square being postponed due to the Government's COVID-19 restrictions, allowing the Orchestra to widen its reach outside of the concert hall next year. An exciting new partnership with Yamaha, supported the LSO's ability to stream concerts using a suite of technical equipment kindly loaned by Yamaha. The generous philanthropy of individuals continues to grow, in support of the new era under the artistic leadership of Sir Simon Rattle. The work of LSO Discovery received vital support from a large number of charitable trusts and foundations, as well as from generous individuals. The LSO is especially grateful to all those companies, individuals and charitable trusts who provide funding, without which the Orchestra could not achieve its ambitions. A list of acknowledgements is set out at the end of this report, in recognition of this invaluable support.

### Achievements against objectives

As the commentary above demonstrates, up to mid-March 2020 when the Government's restrictions on social distancing and travel were imposed, the LSO had another successful year artistically and operationally with all of its major objectives achieved as planned up to that point. Performance compared with specific objectives was as follows:

- The Orchestra worked with a broad and more diverse range of conductors, composers and soloists during the year.
- The Orchestra completed its commitment of Barbican Concerts as planned, up to the date when the Barbican building closed to the public due to COVID-19. Until mid-March 2020, the Orchestra continued to work with a number of artists, presenting a wide range of work, with audience numbers being in line with targets.
- Before the Government's travel restrictions were implemented, the Orchestra fulfilled all of its planned concerts and events overseas to mid-March 2020, performing to full houses and receiving very positive reviews, supported by new and return invitations, subject to travel restrictions being lifted.
- LSO Discovery continued to present an extensive range of educational and community projects, with players actively involved throughout. The breadth of projects was reviewed and new initiatives were developed during the year, especially the development of online programmes.
- LSO St Luke's hosted a diverse range of artistic performances with high levels of attendance, whilst income from commercial bookings met expectations, until lockdown when the venue closed temporarily due to the pandemic. LSO St Luke's was however, one of the first performing arts venues in the country, to open during the summer, operating under strict COVID-secure safety measures, for LSO use only and with limited audience numbers where it was safe to do so.
- LSO Live released a number of new recordings as planned, with sales levels in line with target. A number of concert performances were recorded during the year, until mid-March 2020, for future release.
- Digital activity continued to expand with huge growth in the number of people following the LSO through various social media. Development continues of various digital initiatives aimed at increasing the scale and depth of engagement with the public.
- With the LSO working in partnership with the Barbican and the Guildhall School for Music & Drama, and with funding from the City of London, plans progressed for the Centre for Music project.

# London Symphony Orchestra Limited

## Directors' report (continued)

### Financial Review

Income for the Group was £16.6m (2019: £20.4m) and was in line with expectations up to the point of the first lockdown in mid-March. Total expenditure was £16.7m (2019: £19.7m). Due to Government restrictions on social distancing and travel and the resulting closure of performance venues in the UK and abroad, the pandemic adversely affected income from Barbican Concerts, other engagements in the UK and international touring. Orchestra Tax Relief contributed towards a portion of eligible costs of rehearsals required to maintain standards of excellence. However, Orchestra Tax Relief does not make up for the shortfall caused by the cumulative reduction in public funding in real terms, experienced over the past ten years. Due to the growing cumulative gap in public funding, there is still a very real need for valuable support from the LSO's patrons and sponsors to ensure that the work of the LSO is sustained and even more so, as the LSO continues to work through recovery and renewal in response to the pandemic.

Unrestricted funds resulted in a net deficit of £124,000 (2019: £1,002,000 net surplus) for the year after currency exchange losses of £81,000. There was expenditure of £113,000 from designated funds to meet mechanical and engineering building project costs of LSO St Luke's. Restricted expenditure of £1,204,000 relating mainly for LSO Discovery work was funded by income of £1,304,000 received during the year.

There was an operating loss of £56,000 for the year (2019: £728,000 surplus). The financial result was mainly generated by underlying charitable and trading activities, in line with expectations, up to the point of the first lockdown in mid-March. The overall financial outcome was a net loss of £137,000 for the financial year (2019: £805,000 surplus).

The Balance Sheet was broadly similar to the previous year-end, although there was increase of £1.4million in cash at bank, mainly as a result of curtailment of spend in response to the pandemic and careful cash management. The unrestricted fund at the balance sheet date was £4,055,000 (2019: £4,179,000). Designated funds were £1,547,000 (2019: £1,660,000). Restricted funds were £494,000 (2019: £394,000). Total funds stood at £6,096,000 (2019: £6,233,000).

### Reserves

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

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

On this basis, the Directors have set a target range for free reserves of between £2.5 million and £5 million. The free reserves at 31 July 2020 stood at £2,411,000 (2019: £2,559,000) below the target range and the intention is to build up these reserves to increase resilience.

Due to the state of the global economy, including the risk of further Government social distancing and travel restrictions due the pandemic and continued uncertainty about the UK's position regarding the European Union, the reserves policy is to be reviewed at least annually. Fundraising activities continue to be challenging and steps are being taken to address this situation on individual, corporate, trust and foundation levels. In addition, designated reserves of £1,547,000 (2019: £1,660,000) are held to ensure that the Orchestra can respond positively to variations because of uncertainties in the wider economic and financial climate.

### Plans for the future

The LSO's plans continue to focus on its aim for excellence and innovation across all activities. The Orchestra will continue to perform high quality concerts at the Barbican and elsewhere, as well as reaching new and diverse audiences

# London Symphony Orchestra Limited

## Directors' report (continued)

through the innovative streaming programmes of LSO Live, managing its digital initiative, and its education and community programme LSO Discovery, based at LSO St Luke's. Specific plans for the year ahead include the following:

1. Developing new artistic projects and diverse models, continuing the exploration of the repertoire, performing new and 20<sup>th</sup> century work led by Sir Simon Rattle as Music Director, alongside the family of conductors and artists.
2. The refreshed Diversity Equity and Inclusion plan will be embedded across the organisation to ensure that the LSO and its activities fully reflect the communities it seeks to serve.
3. Continuing to grow private sector income and identifying other sources of income in order to achieve a business model that sustains and improves excellence in the medium to long-term.
4. Continuing the LSO residency at the Barbican Centre, by staging concerts of the highest quality and developing new initiatives to increase revenue from ticket sales and, at the same time, mounting initiatives to attract the widest possible audiences, including those new to orchestral music.
5. Planning and financing strategically important overseas work, encompassing the LSO's international residencies across the globe, including developing work in new regions, further engagements within the UK, and continuing the exploration of alternative performance spaces.
6. LSO Discovery sustaining the regular programme of activity, whilst also developing new initiatives for the future, with a special focus on young composers and new music and broadening the range of the programme to include more online. Plans also include the ongoing development of the LSO East London Academy; the extracurricular programme developed by the Orchestra in partnership with all ten East London boroughs, to nurture talented young instrumentalists from diverse backgrounds.
7. At LSO St Luke's, continuing to serve the needs of LSO Discovery in the wider community, activities with younger composers and the needs of the Orchestra, as well as developing the LSO's partnership with BBC Radio 3, alongside commercial hire of the venue, balanced with artistic activities to underpin the financial model.
8. Through LSO Live, releasing further recordings in audio, audio-visual and other innovative digital formats and establishing new distribution channels to make the LSO's performances accessible to an even wider global audience, while making the highest quality of classical music affordable and accessible. This includes using digital initiatives to attract more people nationally and overseas, generating income from TV broadcasts, video on demand and streaming.
9. The LSO continuing to work in partnership with the Barbican Centre and the Guildhall School of Music & Drama on the Centre for Music project, to progress plans to build a new venue as the home of the LSO.
10. Taking an active part in the Culture Mile with the City of London Corporation, Barbican, Guildhall School of Music & Drama, and the Museum of London.

### Principal Risks and Uncertainties

A risk register is prepared and updated by Heads of Department on a regular basis and the Finance Committee reviews key risk areas periodically. New specific risks are addressed as they arise by management or the Board as appropriate, such as COVID-19 and Brexit. Through this process, the major risks to which the Company is exposed have been reviewed and procedures have been established to mitigate the impact of those risks.

The major risks facing the group, continue to relate to maintaining income levels from all sources to finance the LSO's activities, particularly given the impact of the pandemic and the reduction in real terms of funding from Arts Council England and the City of London Corporation. Other key risks relate to the operational aspects of the Orchestra's work, particularly international touring in the context of the pandemic and the Government's negotiations regarding the European Union. The LSO has set up a task force to address COVID-19 safety and prevention measures, alongside a response plan. In addition, another task force is addressing a range of issues related to the European Union and is working with relevant trade associations to mitigate risks.



# London Symphony Orchestra Limited

## Directors' report (continued)

### Going Concern

The LSO benefits from the ongoing commitment of its core funders, with funding from Arts Council England confirmed through to March 2022 and a reasonable expectation of continued funding from the City of London Corporation. A number of sponsorship and other funding agreements are in place, for varying periods beyond the balance sheet date. As Government restrictions are lifted in response to COVID-19, the Orchestra will return to its residency at the Barbican Centre when it reopens to the public. A number of engagements including overseas tours are being planned for the coming 18 months in readiness for when Government travel restrictions are lifted.

In addition to public funding, the LSO has a diversified range of other income streams and aims to be not critically dependent on any other single organisation for funding. A detailed Strategic Review is taking place to review all of the LSO's activities and develop an updated strategy for the next five to ten years, to ensure that the Orchestra and wider organisation is thriving, successful, relevant and resilient in the decade ahead. The Directors therefore believe that the LSO is adequately placed to manage its business and financial risks, despite the challenging external economic and funding environment.

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### Fundraising approach and performance

The charity undertakes fundraising activity with its supporters via direct mail, telephone, challenge events, fundraising events, sponsored events, gala dinners and email, in line with the Code of Fundraising Practice set by the Fundraising Regulator with which the charity is registered. The LSO subscribes to the following principles of fundraising best practice:

- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible

No complaints were received about the LSO's fundraising practices in the current year. In addition, no third-party fundraisers were used to raise funds during the financial year.

### Acknowledgements

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

- Arts Council England and the City of London Corporation, who continue to support the LSO's London work so positively.
- The Orchestra's Principal Partner: BMW; Corporate Sponsors: Baker McKenzie, Chapel Down, Mishcon de Reya, Mizuho, Yamaha, and the Corporate Members who support through the Premier and Debut programmes.
- Trusts and Foundations including major supporters, The Helen Hamlyn Trust, National Foundation for Youth Music, Jerwood Charitable Foundation, Garfield Weston Foundation and the Jeremy and John Sacher Charitable Trust, as well as the many other supporters of LSO Discovery.
- LSO Major Donors, Patrons and Friends.
- The LSO Advisory Council, the LSO Development Board, the LSO Endowment Trustees and supporters of the American LSO Foundation;
- St Luke Centre Management Company.

# London Symphony Orchestra Limited

## Directors' report (continued)

The Board is also appreciative of the deep commitment of the LSO's members and dedicated staff to maintaining its standing as a world-class orchestra.

### Auditor

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

- So far as he/she is aware, there is no relevant audit information of which the company's auditor is unaware; and
- He/she has taken all the steps that they ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of the information.

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

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

### Statement of Directors' Responsibilities

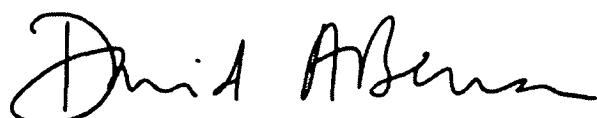
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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



David Alberman  
Chair  
09 December 2020

## **Independent auditor's report to the members of London Symphony Orchestra Limited**

### **Opinion**

We have audited the financial statements of London Symphony Orchestra Limited for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2020 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

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

As explained more fully in the Statement of Directors' Responsibilities the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

### **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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the 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 directors are responsible for the other information. The other information comprises the information included in the Directors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' Report (which incorporates the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report (which incorporates the strategic report) has been prepared in accordance with applicable legal requirements.

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

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

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

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

## **Use of our report**

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



Richard Weaver (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors  
Date: 28 January 2021

10 Queen Street Place  
London  
EC4R 1AG

# London Symphony Orchestra Ltd

## Consolidated statement of financial activities (Incorporating an Income and Expenditure Account) Year ended 31 July 2020

		2020	2020	2020	2020	2019
		Unrestricted	Designated	Restricted	Total	Total
		funds	funds	funds	funds	funds
	Note	£000	£000	£000	£000	£000
<b>Income from:</b>						
Donations, grants and legacies	6	4,813	-	1,304	6,117	6,247
Charitable activities	7	8,118	-	-	8,118	11,431
Other trading activities	9	653	-	-	653	863
Investment income	10	8	-	-	8	17
Other	11	1,713	-	-	1,713	1,861
<b>Total income</b>	<b>5</b>	<b>15,305</b>	<b>-</b>	<b>1,304</b>	<b>16,609</b>	<b>20,419</b>
<b>Expenditure on:</b>						
Raising funds		1,737	-	-	1,737	1,910
Charitable activities		13,610	113	1,205	14,928	17,781
<b>Total expenditure</b>	<b>12</b>	<b>15,347</b>	<b>113</b>	<b>1,205</b>	<b>16,665</b>	<b>19,691</b>
<b>Net income / (expenditure)</b>	<b>15</b>	<b>(42)</b>	<b>(113)</b>	<b>99</b>	<b>(56)</b>	<b>728</b>
<b>Transfers between funds</b>		-	-	-	-	-
<b>Other recognised gains/(losses)</b>						
Currency exchange (losses) / gains		(81)	-	-	(81)	77
<b>Net movement in funds</b>		<b>(123)</b>	<b>(113)</b>	<b>99</b>	<b>(137)</b>	<b>805</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		4,179	1,660	394	6,233	5,428
<b>Total funds carried forward</b>		<b>4,056</b>	<b>1,547</b>	<b>493</b>	<b>6,096</b>	<b>6,233</b>

As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities of the Company is not presented as part of these financial statements. The net loss of the Company was £47,000 including the donation of subsidiary company profits.

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

The notes on pages 22 to 42 form part of these accounts.

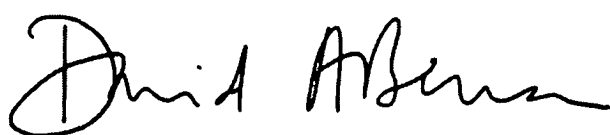
See note 3 for comparative Statement of Financial Activities analysed by funds.

Consolidated and Charity Balance Sheet  
As at 31 July 2020

		Group		Charity	
	Note	2020 £000	2019 £000	2020 £000	2019 £000
<b>Fixed assets</b>					
Tangible assets	17	1,844	1,820	1,633	1,654
Investment assets	18	-	-	-	-
<b>Total fixed assets</b>		<b>1,844</b>	<b>1,820</b>	<b>1,633</b>	<b>1,654</b>
<b>Current assets</b>					
Stock	19	649	579	-	-
Debtors: amounts falling due within one year	20	2,115	3,388	2,222	3,165
Cash at bank		4,454	3,073	4,361	2,714
<b>Total current assets</b>		<b>7,218</b>	<b>7,040</b>	<b>6,583</b>	<b>5,879</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	21	(2,966)	(2,627)	(2,092)	(1,363)
<b>Net current assets</b>		<b>4,252</b>	<b>4,413</b>	<b>4,491</b>	<b>4,516</b>
<b>Long term liabilities</b>					
Creditors: amounts falling due after more than one year		-	-	-	-
<b>Total net assets</b>		<b>6,096</b>	<b>6,233</b>	<b>6,124</b>	<b>6,170</b>
<b>Total funds</b>	23				
Unrestricted funds		4,056	4,179	4,377	4,310
Designated funds		1,547	1,660	1,547	1,660
Restricted funds		493	394	200	200
<b>Funds carried forward</b>		<b>6,096</b>	<b>6,233</b>	<b>6,124</b>	<b>6,170</b>

The notes on pages 22 to 42 form part of these accounts.

Approved by the Board on 09 December 2020 and signed on its behalf by:



D Alberman  
Chair



K McDowell  
Managing Director

# London Symphony Orchestra Ltd

## Consolidated and Charity Statement of Cash Flows Year ended 31 July 2020

	Note	Group		Charity	
		2020 £000	2019 £000	2020 £000	2019 £000
Cash from operating activities	A	1,574	1,120	1,739	1,044
Cash flows from investing activities					
Bank interest		8	17	8	15
Purchase of fixed assets		(201)	(125)	(100)	(101)
Increase / (decrease) in cash and cash equivalents in the year		<u>1,381</u>	<u>1,012</u>	<u>1,647</u>	<u>958</u>
Cash and cash equivalents at the beginning of the year		3,073	2,061	2,714	1,756
Total cash and cash equivalents at the end of the year		<u>4,454</u>	<u>3,073</u>	<u>4,361</u>	<u>2,714</u>
Reconciliation to cash at bank and in hand:					
Cash at bank and in hand		4,109	2,729	4,016	2,371
Short-term deposits		<u>345</u>	<u>344</u>	<u>345</u>	<u>343</u>
		<u>4,454</u>	<u>3,073</u>	<u>4,361</u>	<u>2,714</u>
A Reconciliation of net movement in funds to net cash flow from operating activities					
Net movement in funds		(137)	805	(46)	806
Depreciation charge		177	152	121	109
Bank interest		(8)	(17)	(8)	(15)
Decrease/(increase) in stock		(70)	(74)	-	-
Decrease/(increase) in debtors		1,273	(62)	943	78
Increase in creditors		339	316	729	66
Net cash from operating activities		<u>1,574</u>	<u>1,120</u>	<u>1,739</u>	<u>1,044</u>

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

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 1 Accounting policies

#### a) Basis of preparation

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

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

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

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

#### c) Income

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

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

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

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



# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 1 Accounting policies (continued)

#### d) Expenditure

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

#### e) LSO Live acting as an agent

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

#### f) Foreign currencies

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

#### g) Funds

The General Fund is a general unrestricted fund and represents funds which are expendable at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Such funds are held in order to finance both working capital and capital investment.

The Directors have established a Designated Fund, the main purpose of which is to manage the effect on income of the fluctuation of numbers of Barbican concerts between years and the impact of recent reductions in public funding.

Restricted funds are funds subject to specific restrictions imposed by the donors. These funds are not available for the Directors to apply at their discretion. The purpose and use of the restricted funds is set out in note 23.

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 1 Accounting policies (continued)

#### h) Tangible fixed assets

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

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

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

\* In 2016 the Charity purchased a new, more environmentally-friendly truck for the transportation of instruments. This is depreciated over ten years.

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

#### i) Investments

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

#### j) Stocks and work-in-progress

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

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

#### k) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

During the year, the charity held financial assets and financial liabilities of a kind that qualify as basic financial instruments: Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due. Cash at bank and in hand includes cash and short-term highly liquid investments with a maturity of three months or less from the date of acquisition or the opening of the deposit or similar account.

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 1 Accounting policies (continued)

#### k) Financial instruments (continued)

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

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

#### l) Leases

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

#### m) Pension scheme

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

#### n) Taxation

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

#### o) Group financial statements

The Group Financial Statements consolidate the results of the charitable company and its subsidiaries for the year ended 31 July 2020 after elimination of intra-group transactions.

Notes to the financial statements

Year ended 31 July 2020

2 Critical accounting judgements and key sources of estimation uncertainty

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

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

3 Comparative Statement of Financial Activities

	2019 Unrestricted funds £000	2019 Designated funds £000	2019 Restricted funds £000	2019 Total funds £000
<b>Income and endowments from:</b>				
Donations and legacies	4,952	-	1,295	6,247
Charitable activities	11,431	-	-	11,431
Other trading activities	863	-	-	863
Investment income	17	-	-	17
Other	1,861	-	-	1,861
<b>Total income</b>	<b>19,124</b>	<b>-</b>	<b>1,295</b>	<b>20,419</b>
<b>Expenditure on:</b>				
Raising funds	1,910	-	-	1,910
Charitable activities	16,429	78	1,274	17,781
<b>Total expenditure</b>	<b>18,339</b>	<b>78</b>	<b>1,274</b>	<b>19,691</b>
<b>Net income</b>	<b>785</b>	<b>(78)</b>	<b>21</b>	<b>728</b>
<b>Transfers between funds</b>	<b>140</b>	<b>-</b>	<b>(140)</b>	<b>-</b>
<b>Currency exchange (losses)</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>77</b>
<b>Net movement in funds</b>	<b>1,002</b>	<b>(78)</b>	<b>(119)</b>	<b>805</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	3,177	1,738	513	5,428
<b>Total funds carried forward</b>	<b>4,179</b>	<b>1,660</b>	<b>394</b>	<b>6,233</b>

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 4 Subsidiary companies' trading activities

The LSO owns the whole of the share capital of LSO Productions Limited which operates LSO Discovery, LSO St Luke's and corporate sponsorship activity. Its taxable profit is donated to London Symphony Orchestra Ltd. The LSO also owns the whole of the share capital of LSO Live Limited which manages all aspects of the LSO Live label. Its taxable profit is also donated to London Symphony Orchestra Ltd. The trading results of the two subsidiaries and their assets, liabilities and funds at the year end are summarised below.

	LSO Productions Ltd		LSO Live Ltd	
	2020	2019	2020	2019
	£000	£000	£000	£000
Turnover	11,501	13,534	791	784
less: Cost of sales	(11,022)	(13,239)	(529)	(591)
Gross profit	479	295	262	193
less: Administration Expenses	(1,424)	(1,386)	(182)	(170)
Operating Profit/(loss) for the year	(945)	(1,091)	80	23
Interest receivable	-	-	-	2
Corporation Tax relief	854	1,307	-	-
less: Donation to parent charity	-	(216)	(80)	(25)
<b>Retained Profit/ (Loss) for the year</b>	<b>(91)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Assets	1,312	1,959	975	1,086
less: Liabilities	(1,351)	(1,907)	(963)	(1,074)
<b>Net Funds</b>	<b>(39)</b>	<b>52</b>	<b>12</b>	<b>12</b>

### 5 Group income analysis

	by Source of Funds		by Location of Activity	
	2020	2019	2020	2019
	£000	£000	£000	£000
United Kingdom	12,020	14,779	11,696	14,755
Europe	4,132	3,603	3,316	2,880
Asia	234	1,078	1,597	1,188
Latin America	8	50	-	1,131
USA	215	909	-	465
	<b>16,609</b>	<b>20,419</b>	<b>16,609</b>	<b>20,419</b>

London Symphony Orchestra Ltd

Notes to the financial statements

Year ended 31 July 2020

	2020	2019
	£000	£000
<b>6 Income from donations, grants and legacies</b>		
Arts Council grant	2,220	2,206
Corporation of London core grant	1,975	1,975
Corporation of London other grant	32	65
LSO Endowment Trust grant	844	662
LSO Discovery	562	568
Sponsorships and donations	484	771
<b>Total income from grants and donations</b>	<b>6,117</b>	<b>6,247</b>
<b>7 Income from charitable activities</b>		
Barbican concerts	1,055	1,682
Engagements	5,710	7,289
LSO Live	643	599
LSO St Luke's - Artistic	195	217
LSO Discovery	251	327
Sponsorships	264	1,317
<b>Total income from charitable activities</b>	<b>8,118</b>	<b>11,431</b>
<b>8 Income from engagements</b>		
Overseas Tours	5,056	5,664
UK Concerts	389	613
Recordings	265	1,012
<b>Total income from engagements</b>	<b>5,710</b>	<b>7,289</b>
<b>9 Income from other trading activities</b>		
LSO St Luke's - Commercial	653	863
<b>Total income from trading activities</b>	<b>653</b>	<b>863</b>
<b>10 Income from Investments</b>		
Bank interest received	8	17
<b>Total investment income</b>	<b>8</b>	<b>17</b>
<b>11 Other income</b>		
Other Income	1,713	1,861
<b>Total other income</b>	<b>1,713</b>	<b>1,861</b>

Other income includes a claim for Orchestra Tax Relief and recharged costs incurred in relation to the new Centre for Music project.

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 12 Analysis of group expenditure

	Staff and Direct Costs <b>2020</b> £000	Allocated Support Costs <b>2020</b> £000	Total <b>2020</b> £000
<b>Costs of raising funds:</b>			
Voluntary income	517	387	904
St Luke's - commercial activity	428	405	833
	<u>945</u>	<u>792</u>	<u>1,737</u>
<b>Costs of charitable activities:</b>			
Barbican concerts	5,636	574	6,210
Engagements	5,081	470	5,551
LSO Live	661	193	854
LSO St Luke's - artistic activity	204	174	378
LSO Discovery	1,432	503	1,935
	<u>13,014</u>	<u>1,914</u>	<u>14,928</u>
<b>Total group expenditure</b>	<u>13,959</u>	<u>2,706</u>	<u>16,665</u>
	<b>2019</b> £000	<b>2019</b> £000	<b>2019</b> £000
<b>Costs of raising funds:</b>			
Voluntary income	711	399	1,110
St Luke's - commercial activity	444	356	801
	<u>1,155</u>	<u>755</u>	<u>1,910</u>
<b>Costs of charitable activities:</b>			
Barbican concerts	6,481	499	6,980
Engagements	6,691	408	7,099
LSO Live	715	145	860
LSO St Luke's - artistic activity	340	152	492
LSO Discovery	1,879	471	2,350
	<u>16,106</u>	<u>1,675</u>	<u>17,781</u>
<b>Total group expenditure</b>	<u>17,261</u>	<u>2,430</u>	<u>19,691</u>

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

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 13 Analysis of support costs

	Raising funds	Charitable activities	Total
	2020	2020	2020
	£000	£000	£000
Staff costs	297	717	1,014
Other overheads	495	1,197	1,692
	<u>792</u>	<u>1,914</u>	<u>2,706</u>

	Raising funds	Charitable activities	Total
	2019	2019	2019
	£000	£000	£000
Staff costs	301	668	969
Other overheads	454	1,007	1,461
	<u>755</u>	<u>1,675</u>	<u>2,430</u>

2020	2019
£000	£000

### 14 Governance costs

Included within support costs are the following governance costs:

Audit fees	25	24
Directors' fees	26	28
Other governance costs	<u>7</u>	<u>9</u>
<b>Total Governance costs</b>	<u>58</u>	<u>61</u>

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

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

	2020	2019
	£000	£000
- the Company's annual accounts	11	11
- the Company's subsidiaries' accounts	<u>14</u>	<u>13</u>
<b>Total Audit Fees</b>	<u>25</u>	<u>24</u>
Movement in stock	(70)	(74)
Depreciation	177	152
Realised foreign currency exchange loss / (gain)	81	(77)
Operating lease rentals - Land and buildings	123	122



# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 16 Analysis of staff numbers and costs

The number of employees during the period was as follows:

	2020	2019	2020	2019
	Average Headcount No.		Full Time Equivalent No.	
Concerts Management	18	17	18	17
Marketing	9	8	9	8
Development	10	11	10	10
Management, Finance and IT	15	14	14	14
<b>Total Charity</b>	<b>52</b>	<b>50</b>	<b>51</b>	<b>49</b>
LSO Discovery	13	13	12	12
LSO St Luke's	15	14	15	14
LSO Live	5	4	5	4
<b>Total Group</b>	<b>85</b>	<b>81</b>	<b>83</b>	<b>79</b>

Overall headcount increased by four from the previous year due to maternity cover and bringing Press/Public Relations in-house, which was previously out-sourced.

	Group		Charity	
	2020	2019	2020	2019
	£000	£000	£000	£000
All employees aggregate remuneration				
Salaries	2,956	3,038	2,080	2,053
National Insurance	290	300	220	216
Pension Costs	219	193	186	143
Other staff costs	28	34	28	34
	<b>3,493</b>	<b>3,565</b>	<b>2,514</b>	<b>2,446</b>
Key management aggregate remuneration				
Salaries and pension	354	358	354	358
National Insurance	40	42	40	42
	<b>394</b>	<b>400</b>	<b>394</b>	<b>400</b>

During the financial year, several jobs were identified as being potentially redundant. After a period of consultation with relevant employees, a total of £22,446 settlement payments were made.

# London Symphony Orchestra Ltd

## Notes to the financial statements

### Year ended 31 July 2020

#### 16 Analysis of staff numbers and costs (continued)

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

	2020	2019
	No.	No.
£190,001 - £200,000	1	1
£180,001 - £190,000	0	0
£100,001 - £110,000	1	1
£90,001 - £100,000	0	0
£70,001 - £80,000	2	1
£60,001 - £70,000	3	2

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

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

		2020	2019
		£	£
Gareth Davies	Chairman	-	10,421
David Alberman	Chairman	15,635	5,975
Clare Duckworth	Vice - Chairman	4,356	6,613
Joost Bosdijk	Vice - Chairman	-	3,227
David Jackson	Vice - Chairman	4,774	1,793
Harriet Rayfield	Vice - Chairman	1,333	-

A total of £5,841 (2019: £4,067) was also paid to 8 (2019: 9) Directors in respect of reimbursing expenses incurred for board and committee meetings.

London Symphony Orchestra Ltd

Notes to the financial statements

Year ended 31 July 2020

17 Tangible fixed assets

	Freehold land and buildings £000	Motor vehicles £000	Instruments £000	Fixtures, fittings and equipment £000	Total £000
<b>Group:</b>					
<b>Cost</b>					
At 1 August 2019	622	257	1,495	1,264	3,638
Additions	2	56	-	143	201
Disposals	-	(9)	-	-	(9)
At 31 July 2020	624	304	1,495	1,407	3,830
<b>Depreciation</b>					
At 1 August 2019	254	113	449	1,002	1,818
Charge for the year	29	30	20	98	177
Disposals	-	(9)	-	-	(9)
At 31 July 2020	283	134	469	1,100	1,986
<b>Net book values</b>					
At 31 July 2020	341	170	1,026	307	1,844
At 1 August 2019	368	144	1,046	262	1,820
<b>Charity:</b>					
<b>Cost</b>					
At 1 August 2019	569	257	1,431	444	2,701
Additions	2	56	-	42	100
Disposals	-	(9)	-	-	(9)
At 31 July 2020	571	304	1,431	486	2,792
<b>Depreciation</b>					
At 1 August 2019	201	113	415	318	1,047
Charge for the year	29	30	15	47	121
Disposals	-	(9)	-	-	(9)
At 31 July 2020	230	134	430	365	1,159
<b>Net book values</b>					
At 31 July 2020	341	170	1,001	121	1,633
At 1 August 2019	368	144	1,016	126	1,654

Within the costs of Land and Buildings is a balance of £135,000 relating to Land (2019: £135,000). This element is not depreciated as the Directors are of the opinion that the net residual value is at least equal to the original cost.

London Symphony Orchestra Ltd

Notes to the financial statements

Year ended 31 July 2020

17 Tangible fixed assets

	Freehold land and buildings £000	Motor vehicles £000	Instruments £000	Fixtures, fittings and equipment £000	Total £000
<b>Group:</b>					
<b>Cost</b>					
At 1 August 2018	622	257	1,475	1,367	3,721
Additions	-	-	20	105	125
Disposals	-	-	-	(208)	(208)
At 31 July 2019	622	257	1,495	1,264	3,638
<b>Depreciation</b>					
At 1 August 2018	225	89	427	1,133	1,874
Charge for the year	29	24	22	77	152
Disposals	-	-	-	(208)	(208)
At 31 July 2019	254	113	449	1,002	1,818
<b>Net book values</b>					
At 31 July 2019	368	144	1,046	262	1,820
At 1 August 2018	397	168	1,048	234	1,847
<b>Charity:</b>					
<b>Cost</b>					
At 1 August 2018	569	257	1,411	455	2,692
Additions	-	-	20	81	101
Disposals	-	-	-	(92)	(92)
At 31 July 2019	569	257	1,431	444	2,701
<b>Depreciation</b>					
At 1 August 2018	172	89	400	369	1,030
Charge for the year	29	24	15	41	109
Disposals	-	-	-	(92)	(92)
At 31 July 2019	201	113	415	318	1,047
<b>Net book values</b>					
At 31 July 2019	368	144	1,016	126	1,654
At 1 August 2018	397	168	1,011	86	1,662

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

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

	Charity
	£
<b>18 Investments in subsidiaries</b>	
Cost at 1 August 2019 and 31 July 2020	101

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

	Group	
	2020	2019
	£000	£000
<b>19 Stocks of CDs and related development costs</b>		
Stocks of own-label recorded CDs and DVDs	129	111
Deferred development costs of own-label CDs and DVDs	520	468
	<u>649</u>	<u>579</u>

	Group		Charity	
	2020	2019	2020	2019
	£000	£000	£000	£000
<b>20 Debtors: amounts falling due within one year</b>				
Trade debtors	456	816	145	271
Other debtors	40	37	40	29
Prepayments	516	579	456	507
Amounts owed by Group companies	-	-	1,403	1,716
Accrued Income	217	642	178	642
Other taxes and social security	886	1,314	-	-
	<u>2,115</u>	<u>3,388</u>	<u>2,222</u>	<u>3,165</u>

<b>21 Creditors: amounts falling due within one year</b>				
Trade creditors	297	611	348	399
Other taxes and social security	266	345	220	247
Owed to players	586	318	347	45
Other creditors	333	269	6	62
Accruals	558	332	477	292
Deferred income	926	752	694	318
	<u>2,966</u>	<u>2,627</u>	<u>2,092</u>	<u>1,363</u>

London Symphony Orchestra Ltd

Notes to the financial statements

Year ended 31 July 2020

	Group		Charity	
	2020	2019	2020	2019
<b>22 Deferred Income</b>				
Brought forward	752	725	318	354
Released in the year	(752)	(725)	(318)	(354)
Deferred in the year	926	752	694	318
Carried Forward	<u>926</u>	<u>752</u>	<u>694</u>	<u>318</u>

**23 Statement of funds**

	1 August 2019 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance 31 July 2020 £000
<b>Group:</b>						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General reserve	4,178	15,305	(15,347)	(81)	-	4,055
Designated funds	<u>1,660</u>	<u>-</u>	<u>(113)</u>	<u>-</u>	<u>-</u>	<u>1,547</u>
<b>Total unrestricted funds</b>	<u>5,839</u>	<u>15,305</u>	<u>(15,460)</u>	<u>(81)</u>	<u>-</u>	<u>5,603</u>
Restricted funds	394	1,304	(1,205)	-	-	493
<b>Total group funds</b>	<u>6,233</u>	<u>16,609</u>	<u>(16,665)</u>	<u>(81)</u>	<u>-</u>	<u>6,096</u>
<b>Charity:</b>						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General reserve	4,309	22,509	(22,374)	(68)	-	4,376
Designated funds	<u>1,660</u>	<u>-</u>	<u>(113)</u>	<u>-</u>	<u>-</u>	<u>1,547</u>
<b>Total unrestricted funds</b>	<u>5,970</u>	<u>22,509</u>	<u>(22,487)</u>	<u>(68)</u>	<u>-</u>	<u>5,924</u>
Restricted funds	200	107	(107)	-	-	200
<b>Total charity funds</b>	<u>6,170</u>	<u>22,616</u>	<u>(22,594)</u>	<u>(68)</u>	<u>-</u>	<u>6,124</u>

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 23 Statement of funds (continued)

	1 August <b>2018</b> £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance 31 July <b>2019</b> £000
<b>Group:</b>						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General reserve	3,176	19,124	(18,339)	77	140	4,178
Designated funds	1,738	-	(78)	-	-	1,660
<b>Total unrestricted funds</b>	<b>4,915</b>	<b>19,124</b>	<b>(18,417)</b>	<b>77</b>	<b>140</b>	<b>5,839</b>
Restricted funds	513	1,295	(1,274)	-	(140)	394
<b>Total group funds</b>	<b>5,428</b>	<b>20,419</b>	<b>(19,691)</b>	<b>77</b>	<b>-</b>	<b>6,233</b>
<b>Charity:</b>						
Unrestricted funds:						
Share Capital	1	-	-	-	-	1
General reserve	3,285	26,459	(25,632)	57	140	4,309
Designated funds	1,738	-	(78)	-	-	1,660
<b>Total unrestricted funds</b>	<b>5,024</b>	<b>26,459</b>	<b>(25,710)</b>	<b>57</b>	<b>140</b>	<b>5,970</b>
Restricted funds	340	215	(215)	-	(140)	200
<b>Total charity funds</b>	<b>5,364</b>	<b>26,674</b>	<b>(25,925)</b>	<b>57</b>	<b>-</b>	<b>6,170</b>

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 24 Restricted funds

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

	Balance 1 August <b>2019</b> £000	Income £000	Expenditure £000	Transfers £000	Balance 31 July <b>2020</b> £000
Antonio Brenzi Viola	200	-	-	-	200
City of London - Culture Mile grant	-	32	(32)	-	-
<b>Total charity restricted funds</b>	<b>200</b>	<b>32</b>	<b>(32)</b>	<b>-</b>	<b>200</b>
LSO Discovery	194	1,049	(949)	-	294
Moving Music Grant	-	223	(223)	-	-
<b>Total group restricted funds</b>	<b>394</b>	<b>1,304</b>	<b>(1,204)</b>	<b>-</b>	<b>494</b>

	Balance 1 August <b>2018</b> £000	Income £000	Expenditure £000	Transfers £000	Balance 31 July <b>2019</b> £000
Antonio Brenzi Viola	200	-	-	-	200
Sale of Carcassi Double Bass	140	-	-	(140)	-
City of London - Culture Mile grant	-	65	(65)	-	-
<b>Total charity restricted funds</b>	<b>340</b>	<b>65</b>	<b>(65)</b>	<b>(140)</b>	<b>200</b>
LSO Discovery	173	913	(892)	-	194
Moving Music Grant	-	317	(317)	-	-
<b>Total group restricted funds</b>	<b>513</b>	<b>1,295</b>	<b>(1,274)</b>	<b>(140)</b>	<b>394</b>



# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 24 Restricted funds (continued)

#### Antonio Brenzi Viola Fund

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

#### Culture Mile Fund

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

#### LSO Discovery Fund

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

#### Moving Music Fund

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

### 25 Analysis of net assets between funds

	Unrestricted General Funds £000	Unrestricted Designated Funds £000	Restricted Funds £000	Total 2020 £000
<b>Group</b>				
Tangible fixed assets	1,644	-	200	1,844
Current assets	5,377	1,547	294	7,218
less: Current and long term liabilities	(2,966)	-	-	(2,966)
At 31 July 2020	<u>4,055</u>	<u>1,547</u>	<u>494</u>	<u>6,096</u>
At 31 July 2019	<u>4,179</u>	<u>1,660</u>	<u>394</u>	<u>6,233</u>
<b>Charity</b>				
Tangible fixed assets	1,433	-	200	1,633
Current assets	5,036	1,547	-	6,583
less: Current liabilities	(2,092)	-	-	(2,092)
At 31 July 2020	<u>4,377</u>	<u>1,547</u>	<u>200</u>	<u>6,124</u>
At 31 July 2019	<u>4,310</u>	<u>1,660</u>	<u>200</u>	<u>6,170</u>

# London Symphony Orchestra Ltd

## Notes to the financial statements

Year ended 31 July 2020

### 25 Analysis of net assets between funds (continued)

	Unrestricted General Funds £000	Unrestricted Designated Funds £000	Restricted Funds £000	Total Funds £000
<b>Group</b>				
Tangible fixed assets	1,620	-	200	1,820
Current assets	5,186	1,660	194	7,040
less: Current and long term liabilities	(2,627)	-	-	(2,627)
At 31 July 2019	<u>4,179</u>	<u>1,660</u>	<u>394</u>	<u>6,233</u>
<b>Charity</b>				
Tangible fixed assets	1,454	-	200	1,654
Current assets	4,219	1,660	-	5,879
less: Current liabilities	(1,363)	-	-	(1,363)
At 31 July 2019	<u>4,310</u>	<u>1,660</u>	<u>200</u>	<u>6,170</u>

### 26 Commitments under operating leases

At 31 July 2020 the present value of the Group's total future minimum lease commitments under non-cancellable operating leases was as follows:

	2020 £000	2019 £000
Land and buildings		
- within one year	124	122
- between two and five years	<u>206</u>	<u>326</u>
	<u>330</u>	<u>448</u>

## London Symphony Orchestra Ltd

### Notes to the financial statements

Year ended 31 July 2020

#### 27 Share capital

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

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

#### 28 Related party matters

##### LSO Endowment Trust

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

	2020 £000	2019 £000
Donations made to the Group	844	662

No amounts were due to the Group from the LSO Endowment Trust as at 31 July 2020 or 2019.

##### Members of the London Symphony Orchestra

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

##### Directors' & Officers' Insurance

During the year the Group took out Directors & Officers Liability insurance which was included in a commercial combined policy covering a wider range of insurable risks. Therefore no separate premium specifically for Directors and Officers Liability is available. (2019: £560).

##### Group transactions between LSO Ltd, LSO Productions Ltd and LSO Live Ltd

All transactions between the charity and its subsidiaries are eliminated on consolidation.

##### Other transactions

During the year the London Symphony Orchestra made payments to two companies of which members of the LSO Board were also Directors. These payments were: £29,988.59 to Boosey & Hawkes Ltd, of which Janis Susskind is a Director; and £18,779.75 to Henry Wood Hall Ltd, of which Kathryn McDowell is a Director. These payments were made in the normal course of business.

## London Symphony Orchestra Ltd

### Notes to the financial statements

Year ended 31 July 2020

#### 29 Taxation

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

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

The London Symphony Orchestra's wholly owned subsidiary LSO Productions Limited expects to be making a claim of £854,254 for Orchestra Tax Relief based on its results for the year ended 31 July 2020.