

LOST CHORD UK

England & Wales · Charity number 1099385

Details

Other names	LOST CHORD, Lost Chord UK
Status	Registered
Legal form	Charitable company
Company number	04793062
Registered	2003-09-11
Register	View on the Charity Commission register

Contact

Address	Wesley Centre Community Trust Blyth Road Maltby Rotherham South Yorkshire S66 8JD
Phone	03001317889
Email	info@lost-chord.org.uk
Website	www.lost-chord.org.uk

Activities

Objects: THE CHARITY'S OBJECTS ARE TO PROMOTE THE MENTAL HEALTH AND WELLBEING OF PERSONS RESIDING IN THE UNITED KINGDOM WHO ARE LIVING WITH (BUT NOT LIMITED TO) DEMENTIA FOR THE BENEFIT OF THE PUBLIC, PRIMARILY BY PROVIDING INTERACTIVE MUSIC SESSIONS BOTH LIVE AND BY A DIGITAL MEDIUM AND BY PROVIDING OTHER FACILITIES AT THE TRUSTEES DISCRETION FOR THEIR RECREATION AND LEISURE TIME OCCUPATION. NOTHING IN THE ARTICLES SHALL AUTHORISE AN APPLICATION OF THE PROPERTY OF THE CHARITY FOR PURPOSES WHICH ARE NOT CHARITABLE IN ACCORDANCE WITH SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005 AND/OR SECTION 2 OF THE CHARITIES ACT (NORTHERN IRELAND) 2008.

Activities: Lost Chord UK's mission is to improve the mental health, well-being, and quality of life of people with dementia and other neurological conditions, through the transformative and therapeutic power of interactive music sessions by professional musicians in community and care home settings, across the UK.

Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** ENGLAND AND WALES
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£103,989	£206,511	-	-
2024-03-31	£141,706	£276,931	-	-
2023-03-31	£126,076	£161,092	-	-
2022-03-31	£127,388	£119,899	-	-
2021-03-31	£151,422	£59,226	-	-

Trustees

Name	Role	Appointed
BENJAMIN WILLIAM FRITH	Chair	2007-09-28
Kathleen Bernadine Katrina Cleary		2025-07-18
Mark Edmund Procter Mr		2021-11-30

LOST CHORD UK

England & Wales - Charity number 1099385

Accounts

LOST CHORD UK
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

LOST CHORD UK
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees K B Clearly (appointed 18 July 2025)
 B W Frith
 M E Procter
 K J Bottomley (resigned 29 August 2024)
 E A Holmes (resigned 11 September 2024)
 D Stone (resigned 30 November 2025)

Company registered number 04793062

Charity registered numbers 1099385 and SC052157

Registered office The Wesley Centre
 Blyth Road
 Maltby
 Rotherham
 S66 8JD

Chief executive officer Jean Collingwood

Independent Examiner Rachel Heath FCCA DChA
 BHP Professional Services Limited
 Albert Works
 Sidney Street
 Sheffield
 S1 4RG

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the financial statements of the Lost Chord UK for the 1 April 2024 to 31 March 2025. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and activities

Lost Chord UK exists to improve the health, wellbeing, and quality of life of people living with dementia and other neurological conditions, and of those who care for and support them. Our primary beneficiaries include people affected by conditions such as Dementia, Parkinson's disease, Motor Neurone Disease, stroke, and other acquired or progressive neurological conditions, alongside supporting family members, carers, and wider support networks. Our mission: We transform lives through interactive live music experiences, empowering people with dementia and neurological conditions to stay connected to their identity, voice and community.

b. Long-term aims

Alongside its four core strategic commitments, Lost Chord UK remains committed to the following long-term goals, which underpin its Theory of Change: All of our projects and KPI's are targeted and measured against these goals.

- **Improve Health and Wellbeing**
Improve mental, emotional, and physical health through live interactive music.
- **Empower and Advocate**
Give people a voice, fostering dignity, self-expression, and greater understanding.
- **Educate and Engage**
Equip families, carers, and communities with music-led tools for compassionate support.
- **Delay Progression**
Help preserve identity, memory, communication, and connection for as long as possible.
- **Innovate and Learn**
Continually refine delivery through evidence, reflection, and collaboration.
- **Strengthen Communities**
Create inclusive spaces where people feel connected, valued, and supported.

Our four main core organisational commitments

Lost Chord UK delivers its charitable objectives through a clear, evidence-led business plan that acts as a practical roadmap for governance, finance, fundraising, communications, and operations. During the year, the trustees focused delivery around four core strategic aims, which align directly with the charity's Theory of Change, outcomes framework, and performance indicators.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

1. **Be There Now for People Living with Dementia, Neurological Conditions and Their Carers:** Increasing access to live interactive music to improve health and wellbeing.
2. **Strengthen the Lost Chord UK Community:** Growing and connecting musicians, volunteers, partners and supporters.
3. **Build a Better Future Through Music:** Education, sustainability, and inclusion rooted in community.
4. **Be the Voice and Champion of Live Interactive Music as Essential:** Raising awareness, sharing knowledge, and driving national change.

c. Public Benefit

The trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit and are satisfied that Lost Chord UK's activities provide clear and demonstrable public benefit. The Trustees regularly review how planned activities contribute to the charity's aims and objectives and ensure that the charity's resources are applied for the public benefit.

The charity's work delivers direct benefit to people living with dementia and other neurological conditions by improving communication, emotional wellbeing, reducing isolation, supporting cognitive and physical engagement, to improve their quality of life. These benefits extend to carers and family members, who experience reduced stress, increased connection with their loved ones, and opportunities for shared positive experiences.

Lost Chord UK also delivers wider public benefit by strengthening communities, increasing understanding of dementia and neurological conditions, through inclusive, visible, and accessible cultural activity. By working in partnership across health, social care, and the voluntary sector, the charity contributes to preventative approaches that support people to remain active, connected, and safe for longer, reducing pressure on statutory services.

All activities are delivered in furtherance of the charity's stated objects, are open to those who need them most, and are regularly reviewed to ensure they remain effective, proportionate, and aligned with public benefit principles.

In shaping the charity's objectives for the year and planning its activities, the Trustees have had due regard to the Charity Commission's guidance on public benefit, including guidance on public benefit and fee charging.

Lost Chord UK delivers its charitable purposes through a wide range of participatory music activities in community settings, particularly supporting people who are excluded from live music experiences due to ill health, disability, isolation or poverty. Activities are designed to be entertaining, educational and therapeutic, and are typically delivered through medium- to long-term projects that provide sustained benefit to participants.

The charity relies on a broad mix of income sources, including donations, legacies, grants, fundraising events and fees and charges, to meet its operating costs. When setting fees and charges, the Trustees give careful consideration to accessibility for individuals and organisations on low incomes, while balancing this against the need to ensure fair and sustainable payment to professional musicians, in line with the Musicians' Union guidance *Fair Pay for Fair Play*.

The charity also provides paid professional opportunities for highly skilled musicians, supporting them through induction to develop the skills required to work as community music leaders. This contributes to wider public benefit by strengthening the capacity and quality of participatory music practice beyond the charity itself.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

d. How we achieve it

The charity's purpose is achieved through the delivery of live, high-quality, **interactive music experiences** that place people at the centre of each session. Lost Chord UK specialises in music that is highly interactive participatory rather than performative, enabling individuals to engage in ways that reflect their abilities, preferences, memories, and identities. Through shared music-making in community and care settings we aim to reduce isolation, support emotional expression, stimulate cognition, encourage physical movement, and strengthen human connection, outcomes that are particularly vital for people whose communication, confidence, or independence may be affected by neurological illness.

Lost Chord UK works with a national roster of independent professional musicians of exceptional calibre. These musicians are selected not only for their outstanding musical ability, but for their capacity to work responsively, sensitively, and creatively with people living with dementia and neurological conditions. All musicians receive specialist training in dementia- and neuro-inclusive practice, including person-centred engagement, spontaneous improvisation, non-verbal communication, and adapting in real time to the needs and cues of participants. This depth of skill enables sessions to be shaped with people rather than for them, ensuring that each experience is meaningful, dignified, and inclusive.

The charity's objectives extend beyond the individual participant to include carers, families, and communities. By creating shared musical experiences, Lost Chord UK supports relationships, reduces the emotional burden of caring, and offers moments of joy, recognition, and mutual understanding. Our work also contributes to wider community wellbeing by, increasing awareness of dementia and neurological conditions, and demonstrating the vital role that music creativity, communication and culture play in health and social care.

In pursuing these objectives, Lost Chord UK aims to ensure that people who are often excluded from cultural life, due to ill health, disability, poverty, or social isolation, have equitable access to live music of the highest quality. The charity is committed to delivering this work collaboratively, ethically, and sustainably, placing lived experience, professional excellence, and compassion at the heart of everything it does.

Where and How We Work

Lost Chord UK supports people throughout the UK from our hub in South Yorkshire at the earliest stages following a dementia or neurological diagnosis in community spaces through to advanced illness, end-of-life, and bereavement with care and hospice partners. Our work is intentionally designed to remain alongside people as their needs change, ensuring continuity, familiarity, and trust for both individuals and those who care for them. We deliver year on year impact by working within close multi partnerships with care, community, business, charity, grassroot and faith-based partners often acting as the lead partners, with our musicians, acting as the main draw for increasing community engagement.

End to end- when people need help most

In community settings, Lost Chord UK delivers inclusive music sessions in libraries, churches, community centres, dementia cafés, sports and cultural venues, and other accessible public spaces. The sessions support people to remain active, connected, and visible within their communities for as long as possible.

An anchor for impactful creative partnership

Working in close partnership with local authorities, health and social care teams, fire and rescue services, voluntary organisations, and grassroots groups, Lost Chord UK often acts as the creative anchor within multi-agency provision. Our professional musicians create welcoming environments that draw people together, reduce barriers to engagement, and enable us and our partners to connect with participants in meaningful, non-clinical ways.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

As people's needs increase and become more complex, Lost Chord UK continues its support within care homes, nursing homes, hospitals, and hospices. Sessions in these settings are carefully adapted to ensure they remain person-centred, responsive, and dignified. This includes small-group work, one-to-one bedside sessions, and music at end of life, where live music can offer comfort, reassurance, familiarity, and moments of connection when words are no longer accessible.

Lost Chord UK's professional musicians work is strengthened by a dedicated and experienced volunteer network, who provide practical support, continuity, and additional relational capacity within sessions. Volunteers are carefully recruited and trained to work alongside musicians, participants, and family and employed carers, helping to ensure sessions are safe, inclusive, and supportive for all involved.

Always impact led by the people we support

Across all settings, Lost Chord UK is 100% beneficiary-led and evidence-informed. Programmes are shaped by the voices, responses, and lived experiences of people with dementia, neurological conditions, and their carers.

360° multiuser and partner feedback from every single session we deliver, is methodically evaluated, and used to continuously refine our delivery, ensuring that the charity's work remains effective, shaped by lived experience and relevant to the people we support. Our focus on constant incremental responsive improvement, learning from what works and what doesn't means that we are grounded in real-world impact, linked to impact goals and outcomes, regularly reviewed in our "Theory of Change".

e. Strategies for achieving our objectives

During the year ended 31 March 2025, Lost Chord UK delivered a national programme of high-quality, live, interactive music sessions for people living with dementia and other neurological conditions and support for their carers and families. All activity was designed to directly further the charity's objects by improving physical and mental health and wellbeing, connection, and quality of life through professionally delivered, person-centred musical engagement.

Interactive Music Delivery

Lost Chord UK's core activity is the delivery of live, interactive music sessions led by a national roster of approximately 65 exceptional professional musicians. All musicians are carefully selected for their musical excellence and trained in specialist interactive techniques, including improvisation, responsive song-leading, non-verbal communication, and real-time adaptation to mood, energy, and ability. Sessions are shaped moment by moment by participants, enabling individuals to lead, contribute, and express themselves regardless of cognitive or physical ability.

Sessions are delivered across a wide range of settings, including community venues (such as libraries, churches, community centres, dementia cafés, and cultural spaces), care and nursing homes, hospitals, and hospices. Delivery formats include large inclusive community groups, smaller group sessions, one-to-one bedside work, and end-of-life music support.

Community-Based Prevention and Inclusion

A significant proportion of activity takes place in community settings, supporting people from the onset of diagnosis to remain active, visible, and connected within their local communities. These sessions reduce social isolation, strengthen informal support networks, and provide accessible entry points for people who may not otherwise engage with health or support services. Lost Chord UK frequently works in partnership with local authorities, health providers, fire and rescue services, and voluntary organisations, using music as a catalyst for engagement, prevention, and community resilience.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

Support for Carers and Families

Lost Chord UK's activities are designed to support not only individuals with dementia or neurological conditions, but their carers and families. Interactive sessions and choirs create shared positive experiences that provide respite, help maintain relationships, improve communication, and reduce emotional strain. Carers frequently report increased confidence, reduced stress, and a greater sense of support and connection with their local community and others facing similar challenges.

Workforce, Volunteers, and Quality Assurance

Alongside its roster of independent professional musicians, Lost Chord UK is supported by a skilled volunteer network who assist with session delivery, participant support, and relationship-building. Volunteers are trained to work in dementia- and neuro-inclusive environments and play a vital role in maintaining continuity and quality across programmes.

Quality assurance is central to all activity. Lost Chord UK actively gathers feedback from participants, carers, partners, and commissioners, using this evidence to review performance, inform musician development, develop volunteers, and continuously improve delivery. This feedback-led approach ensures that sessions remain responsive, effective, and aligned with beneficiary needs. Lost Chord UK has continually maintained its ISO 9001 status to ensure professional management of its remote and flexible management team and attained a Grade 1 full pass ISO9001 accreditation, following their most recent inspection for 2025.

Innovation, Learning, and Sector Contribution

Lost Chord UK continues to develop and refine its practice through ongoing learning and innovation. Insights gained from 26 years of delivery inform training, partnership development, and advocacy, helping to embed music as a meaningful and effective tool within health, social care, and community settings. Where appropriate, learning is shared with partners and the wider sector to support sustainable, evidence-based approaches to dementia and neurological inclusion.

Achievements and performance

a. Achievements and Performance in 2024-2025

The period from June 2024 to March 2025 marked Lost Chord UK's 25th anniversary year, a significant milestone reflecting both the charity's longevity and its continued relevance in responding to the needs of people living with dementia and other neurological conditions, their carers, and the communities that support them.

Delivery and Reach

During the reporting period, Lost Chord UK delivered **624 live, interactive music sessions** across England and Wales, reaching **15,188 people** in total. Sessions took place in care settings, community venues, and specialist charity and health environments, ensuring support was accessible across the full spectrum of need.

- **7,441 people** were reached through **428 sessions in care homes**
- **3,220 people** participated in **105 community-based sessions**
- **1,127 people** were supported through **81 sessions delivered in partnership with other charities**, including hospices, medical services, and carer organisations
- **3,400 carers** directly benefited through shared participation, respite, and peer connection

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Sessions inspired active participation through singing, memory recall, movement, dance, storytelling, and improvisation, approaches shown to support cognitive function, emotional wellbeing, and both mental and physical health.

Quality and Participant Experience

Quality remains central to Lost Chord UK's delivery model. Feedback collected throughout the year shows that **99% of participants and partners rated sessions as Excellent or Good**, reflecting the high standard of musicianship, interaction, and person-centred practice delivered across all settings.

Participants frequently reported improved mood, increased confidence, moments of reconnection with memories and identity, and a renewed sense of belonging. Carers highlighted the value of shared positive experiences, reduced stress, and strengthened emotional connection with the people they support.

Volunteers and Community Capacity

Volunteers played a vital role in extending Lost Chord UK's reach and strengthening community connection. During the year:

- **170 sessions** were supported by volunteers
- **942 volunteer hours** were contributed, valued at **£10,776**
- **£794** was reimbursed in travel and non-travel expenses

Volunteers supported session delivery, participant engagement, and continuity of relationships, helping ensure sessions were welcoming, inclusive, and sustainable.

Investment in Musicians and Delivery Excellence

Lost Chord UK invested **£97,831 directly in professional musicians** during the year. This investment reflects the charity's commitment to quality, fairness, and impact.

Musicians are not only exceptional performers but are trained in dementia- and neuro-inclusive interactive practice, including improvisation, reminiscence, responsive facilitation, and emotional connections. This ensures sessions meet both artistic and therapeutic needs and remain adaptable to participants' abilities and preferences.

Learning, Listening, and Strategic Development

Between March and June 2025, Lost Chord UK undertook a community wide "WHY" survey, gathering insight from beneficiaries, carers, musicians, partners, and stakeholders. The resulting WHY report provided a clear evidence base for understanding what matters most to the communities served and how music can best support health, mental health, and wellbeing.

The findings revealed shared values, beliefs, and priorities and directly informed the development of:

- A long-term 10-year adaptive strategic framework
- A Theory of Change grounded in lived experience and evidence
- Four clearly defined strategic goals focused on where Lost Chord UK can make the greatest difference
- The introduction of Social Return on Investment (SROI) methodologies to better understand and articulate social value

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

This work strengthened the charity's beneficiary-led, evidence-based approach and ensured that future delivery is shaped by informed need rather than assumption.

Impact Snapshot

- **15,188 beneficiaries reached**
- **624 sessions delivered**
- **99% positive session ratings**
- **£92k invested in community musicians**
- **942 volunteer hours contributed**

What This Demonstrates

Lost Chord UK's achievements during its 25th anniversary year demonstrate measurable impact in mental health, emotional resilience, social connection, and quality of life for people who are often excluded from meaningful cultural and wellbeing opportunities. The year also marked a step change in how the charity listens, learns, and plans, placing beneficiaries firmly at the centre of strategic decision-making.

b. Summary of Income Streams and Partnership Development over the year

During the year ended March 2025, the charity benefited from a wide and diversified range of income streams, reflecting a deliberate strategy to reduce reliance on any single source of funding. As outlined in the Impact Report, income from care settings accounted for 29.7% of total income, while community-based sessions accounted for 8.9%. The Trustees intend to grow community income further to achieve a more balanced income profile alongside care delivery, primarily through multi-partner funding models and strategic collaborations.

Notable partnership developments during 2025 included a new relationship with **Coach House Pianos**, a world leader in fine pianos. Coach House Pianos hosted a prestigious fundraising concert in December 2024

In January 2025, the charity secured a new partnership with **John Lewis Community Matters scheme**, alongside income from **Waitrose**, part of the same group. This funding fully supported nine interactive music sessions at **Kingston Library in Kingston upon Thames**.

The charity also continued its second year of partnership with **Rotherham United Community Trust through its *More Than Football* initiative**. This partnership part-funded a year-long ***Music That Moves*** project in South Yorkshire, combining music and physical activity to improve health and wellbeing and provide pathways into sport. The Trustees intend to replicate this model with other football and sports organisations, recognising the combined benefits of music and physical activity for physical and mental health.

2025 also marked the charity's first delivery in a school setting, through a partnership with **Read School** in North Yorkshire. A pupil shadowed Lost Chord UK musicians to learn interactive music techniques and later supported fundraising activity within the school. This work forms the foundation for a planned UK-wide intergenerational programme, designed to build neuro-inclusive awareness among children, support their own mental health through music, and equip them with practical skills to support friends and family using interactive music techniques.

Another key partnership was established with **Sheffield Fire and Rescue Service** through the launch of a Community Chorus in South Yorkshire. Participants co-created and performed music carrying life-saving fire safety messages, addressing the increased risk of fire and injury faced by people living with dementia and other neurological conditions. This initiative has been cited in two award submissions and has already secured an Award of Merit.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

The Trustees also plan to develop a focused campaign to encourage in-memory and legacy giving, supported by local stakeholders, recognising the importance of long-term sustainability.

Financial review

a. Income

During the year ended 31 March 2025, the charity's total income decreased from £141,706 in 2024 to £103,989. This reduction was primarily driven by a significant fall in voluntary income, reflecting wider national trends associated with the cost-of-living crisis.

Income from donations and legacies reduced from £96,511 in 2024 to £57,443 in 2025. A more detailed analysis (note 4) shows that public donations fell from £71,618 in 2024 to £28,539 in 2025. Trustees recognise that this decline mirrors the pressures faced by individual donors and community fundraisers during the year.

Legacy income showed a modest increase, rising from £16,523 in 2024 to £20,049 in 2025. While legacies continue to provide important support, they remain inherently unpredictable and are not relied upon for ongoing operational sustainability.

Grant income remained broadly stable and increased slightly from £8,370 in 2024 to £8,855 in 2025. This was achieved through sustained effort by the charity, despite a reduction in funding from local councillors and ward budgets. Trustees note that these local grants continued to play a valuable role in supporting community-based sessions.

Income from charitable activities, primarily derived from interactive music sessions delivered in care and community settings, increased from £41,580 in 2024 to £43,327 in 2025. This reflects a continued strategic focus on growing earned income through a full-cost-recovery approach, particularly within community delivery, to better offset the subsidised nature of work delivered in care settings.

This growth builds on earlier progress, with income from charitable activities standing at £39,676 in 2023, demonstrating steady and managed improvement over time. The increase followed a comprehensive review and renegotiation of minimum contributions from care and community partners in January 2025. This included moving away from a flat contribution model and introducing higher minimum contributions for duo sessions, which incur increased delivery costs.

In parallel, the charity undertook a consultation with musicians between January and March 2025 to assess whether fees remained fair and competitive within the sector. As a result, solo musician fees were increased, addressing identified dissatisfaction while maintaining overall cost control.

b. Expenditure

Total expenditure for the year ended 31 March 2025 was £206,511, compared with £276,931 in 2024. This reduction reflects a deliberate and managed programme of cost control, building on actions taken in the previous year, while continuing to support a similar number of beneficiaries.

While the total number of sessions delivered reduced from 910 in 2024 to 624 in 2025, this reflects a deliberate rebalancing of delivery rather than a reduction in impact or reach. During 2025 the charity supported 15,188 beneficiaries, compared with 18,200 in 2024, demonstrating that similar levels of benefit continued to be achieved through a more efficient and strategically balanced delivery model.

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TRUSTEES' REPORT (CONTINUED)*FOR THE YEAR ENDED 31 MARCH 2025*

The charity has increasingly focused on maintaining a balanced programme of work across both care and community settings. This includes continued delivery in care homes and hospice environments, alongside expanded community-based sessions designed to support people earlier in their dementia or neurological journey and to provide greater support to unpaid carers. Community venues allow the charity to reach people at the point of diagnosis and before crisis, helping to sustain wellbeing and delay the need for higher levels of care, while care and end-of-life settings remain a vital part of delivery.

This balanced approach enables the charity to maximise social impact across the full care pathway, supporting individuals and carers at different stages of need, while ensuring that resources are used efficiently and responsibly in a period of reduced voluntary income.

This approach also enabled the charity to act as a coordinating partner, bringing together multiple contributors to support delivery. Examples included grant funding from the Rotherham United Community Trust, free room hire from churches and the Salvation Army, food donations, and contributions from a local CIC towards musician and volunteer costs. This reduced reliance on single funding sources and spread delivery costs more equitably, while supporting carers and helping people remain connected within their communities for longer.

Fundraising expenditure reduced from £20,783 in 2024 to £14,368 in 2025, reflecting tighter cost controls and a scaling back of activity in line with income levels.

Total expenditure on charitable activities (note 8) reduced from £256,148 in 2024 to £192,143 in 2025. A detailed analysis of costs shows that musician fees reduced significantly from £168,110 in 2024 to £97,831 in 2025. While this partly reflects a lower number of sessions delivered, substantial efficiencies were also achieved through improved scheduling and clustering of sessions by location. As shown in note 8, musician fees reduced from £134,033 in 2024 to £83,914 in 2025.

Musician travel costs also reduced considerably, from £19,780 in 2024 to £10,695 in 2025, reflecting better planning and reduced duplication of travel. Other direct costs, including cancellations, reduced from £14,297 in 2024 to £3,222 in 2025, representing a significant improvement in delivery efficiency.

Support costs in 2025 totalled £94,312, compared with £88,038 in 2024. The increase was primarily due to staffing costs, which rose from £58,293 in 2024 to £80,566 in 2025. Trustees note that the 2024 figure included a six-month period without a CEO in post, which temporarily reduced expenditure. In addition, social security costs (note 11) increased from £760 in 2024 to £2,971 in 2025, reflecting changes in national insurance contributions during the period.

Governance costs (note 9) reduced overall. HR and payroll costs fell from £7,619 in 2024 to £180 in 2025. Accountancy costs reduced from £4,877 in 2024 to £3,704 in 2025. Further savings were achieved in staff travel and accommodation (note 8), which reduced from £5,679 in 2024 to £1,016 in 2025. Additional efficiencies were introduced across IT and data storage costs during the year, with the full financial benefit expected to be realised in the following financial period.

Total balance carried forward at the end of the financial year was £124,416.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

c. Reserves Policy

During the year, the Trustees reviewed and amended the reserves policy, reducing the target from six months to three months of operating costs. This change reflects both the charity's modest turnover and the requirements of several grant funders and aligns with a wider national shift in expectations for charities of similar size and scale.

- The charity's current level of reserves.
- Short-term and medium-term cash flow forecasts to March 2026 and March 2027.
- Confirmed and anticipated income from earned activities, partnerships, fundraising, and grants; and
- Actions already taken to control costs and manage financial risk.

The Trustees consider three months' reserves to be sufficient to:

- Manage short-term cash flow volatility.
- Meet unavoidable contractual and employment commitments.
- Allow time for corrective action where income timing or levels vary; and
- Support planned delivery and development activity without overextending the organisation.

Reserves are monitored through regular management accounts and rolling cash flow forecasts, and the policy is reviewed annually or sooner if circumstances change.

d. Risk assessment

The Trustees have assessed the principal risks to which the charity is exposed, including operational, financial, strategic and reputational risks, and are satisfied that appropriate systems and controls are in place to mitigate these risks. This assessment is undertaken on at least an annual basis and is reviewed regularly throughout the year.

The Trustees recognise that the charity operates in a challenging external environment and that risk management is integral to ensuring the charity's sustainability and ability to deliver its charitable purposes. The Senior Management Team reviews operational and financial risks on a monthly basis, with oversight provided by the Finance and Risk Committee, which considers the risk register, mitigations and emerging risks at each meeting. Key risks are reported to the Board of Trustees.

The principal risks identified, together with the actions taken to mitigate them, include:

Financial sustainability and income generation

The most significant risk faced by the charity is the ability to secure sufficient sustainable income, particularly unrestricted funding, to support core activities and overheads. The fundraising environment remains highly competitive, with increasing demand on funders and donors.

Mitigation: The Trustees have approved an adaptive income strategy focused on diversifying income streams, including earned income from projects, fees and charges, individual giving, in-memory donations, legacies, corporate partnerships and fundraising events, alongside grant funding for defined projects. Cash flow forecasts are reviewed regularly, and contingency plans are in place should income not materialise as anticipated.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Cost pressures and economic conditions

Rising demands for our services and costs associated with the cost-of-living crisis have increased financial pressure on the charity, impacting operating costs and placing additional strain on freelance musicians, volunteers and partner organisations.

Mitigation: The charity closely monitors expenditure, prioritises essential spending, and regularly reviews staffing and delivery models to ensure value for money while maintaining quality. Fees paid to musicians are reviewed in line with the Musicians' Union guidance, balanced against affordability for partner organisations.

Challenging fundraising climate

There is a risk of reduced income due to the ongoing and deepening challenges within the charitable fundraising landscape, particularly for arts, health and wellbeing charities.

Mitigation: The Trustees actively review fundraising performance and opportunities, seek to broaden the charity's supporter base, and develop new audiences and propositions aligned to emerging needs, including community-based and preventative work.

Staff, musician and volunteer wellbeing

The wellbeing and retention of staff, freelance musicians and volunteers is recognised as a key risk, particularly in light of workload pressures and financial uncertainty.

Mitigation: The charity promotes flexible working arrangements, provides clear communication and support, and invests in training and development through project-based learning opportunities, helping to build skills and resilience within the workforce and wider community.

Low level of unrestricted reserves

The charity currently holds limited unrestricted reserves, which constrains financial flexibility and resilience.

Mitigation: Rebuilding unrestricted reserves is a key strategic priority. The Trustees monitor reserve levels closely and have agreed plans to improve reserve coverage over time through improved operating surpluses and diversified income.

e. Going concern statement

The Trustees have considered the Charity's ability to continue as a going concern for a period extending to March 2027, being at least twelve months from the expected approval date of the financial statements for the year ended 31 March 2025. The assessment has taken into account the Charity's financial performance to date, anticipated income, approved budgets, cash flow forecasts, and a range of operational scenarios, including prudent worst-case cash flow forecasts for the period to April 2026 and March 2027 alongside the actions being taken to strengthen long-term sustainability.

The Trustees note that the charity has made material progress during the year in strengthening its underlying financial model. In particular:

- **Community interactive music sessions are now fully funded**, with many operating at full cost recovery. This has increased the reliability of earned income and reduced reliance on unrestricted donations to subsidise delivery.
- **Care-based sessions, while still partially subsidised, are significantly less loss-making than in previous years because of pricing reviews**, improved scheduling, and clearer minimum contributions from partners.

LOST CHORD UK

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- The Trustees intend to continue rebalancing activity so that earned income from services accounts for **approximately 50% of total income** over the medium term, providing a more predictable and sustainable base.

The Trustees also note that Choirs That Care is now an established and fully funded programme, with proven delivery in South Yorkshire and a grant funder already engaged to support expansion into West Yorkshire. This programme provides both financial stability and a scalable model aligned with the charity's mission to support carers and families.

In addition to earned income, the charity has demonstrated the viability and scalability of event-based fundraising. Challenge and endurance fundraising, launched in 2024, exceeded income targets and has been identified as a key growth area. The Trustees plan to expand this activity so that event-based fundraising grows from its current level of approximately 5.9% of income to nearer 20% of total income over the medium term. This income stream is unrestricted, repeatable, and scalable, providing flexibility to support core costs.

The remaining proportion of income is planned to be generated through two strategic project strands, both of which incorporate CEO time alongside delivery by musicians and volunteers. These projects are designed to:

- Attract restricted funding that contributes to staff costs.
- Build longer-term partnerships; and
- Create pathways for future replication and scale.

Alongside this, the Trustees have agreed a significant strategic push on appeals and events to increase income and our established legacy and in-memory giving, moving away from reliance on occasional one-off legacies left in Wills, which are inherently more unpredictable and can cause income volatility. The charity will focus on developing regular in-memory fundraising, tribute giving, and online legacy promotion. The Trustees aim for this income stream to grow steadily through 2026, with the ambition that it contributes up to 30% of total income over time as these approaches mature.

The Trustees are further encouraged by the charity's broad funding base growing national profile and are actively engaged in discussions with the library service regarding the development of a potential nationwide programme. While this is at an early stage, it represents a significant opportunity to expand reach and impact using a scalable model consistent with the charity's values and expertise.

Taking all of the above into account, the Trustees believe that the charity has:

- A more balanced and resilient income mix.
- Demonstrable progress in reducing structural deficits in delivery.
- Identified, credible routes to growing unrestricted income; and
- Clear, managed plans to allocate staff capacity effectively.

Accordingly, the Trustees are satisfied that it is appropriate to prepare the financial statements on a going concern basis. The Trustees will continue to monitor performance closely and will review forecasts and assumptions regularly to ensure that timely action can be taken if required.

Structure, governance and management

a. Constitution

Lost Chord UK is a company limited by guarantee, incorporated on 10 June 2003, and registered as a charity on 11 September 2003. The charity operates under its Articles of Association, which establish its objects and powers in accordance with the Memorandum of Association. Prior to incorporation, Lost Chord operated as a project under the auspices of Voluntary Action Rotherham, delivering services since its inception in 1999.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The Trustees, who also serve as the directors of the company, are recruited through a structured process informed by a skills gap analysis to ensure the board maintains a diverse and effective range of expertise. Trustees are selected based on their alignment with the charity's needs, mission, and values, and appointments are formally approved through a board resolution, which is duly minuted. Induction and ongoing governance training are provided to all Trustees to ensure they are equipped to fulfill their roles effectively.

c. Organisational structure and decision-making policies

The Board of Trustees holds overall responsibility for setting the charity's strategy, ensuring policies are in place, and monitoring compliance. Day-to-day operational management is delegated to the Chief Executive, who reports regularly to the Trustees. The Trustees are committed to upholding robust governance practices, including regular reviews of employment policies, contracts, and management procedures to ensure continued compliance with current regulations and best practices.

d. Collaborative Partnerships

Lost Chord UK fulfills its charitable objectives through collaborative work with a wide range of organisations, including South Yorkshire Fire and Rescue, the NHS, dementia cafés, the MS Society, children's hospices, and palliative care providers. These partnerships enable the charity to expand its reach and deliver innovative programs, such as community choirs, physical activity initiatives in collaboration with Rotherham United Football Trust, and educational projects with schools, places of worship, and local councils to combat social isolation. Lost Chord is also a proud member of the National Dementia Action Alliance, working alongside organisations such as Age UK, Alzheimer's Society, and Dementia UK to improve the lives of those affected by dementia and other neurological conditions.

e. Transparency in Trustee Remuneration

Lost Chord UK ensures full transparency and accountability in financial matters. It is the charity's policy that Trustees do not receive payment for services unrelated to their governance role, in compliance with Charity Commission and Companies House regulations. In the rare instance where Trustees provide services outside their governance duties, the following rigorous processes are observed:

1. **Approval Process:** Payments are subject to Board approval, documented in meeting minutes.
2. **Conflict of Interest:** Trustees must declare any conflicts of interest and abstain from decision-making related to their remuneration.
3. **Fair Market Value:** Payments are benchmarked to fair market rates in line with the charity's procurement policies.
4. **Annual Disclosure:** Any payments made are transparently disclosed in the charity's annual report.

These measures ensure that all financial transactions are in the best interests of the charity and its beneficiaries.

LOST CHORD UK

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)**f. Risk management**

The Trustees are committed to proactively identifying and mitigating risks that may impact the charity's operations. A robust risk management framework is in place, encompassing financial controls, strategic reviews, and compliance monitoring. Regular Trustee meetings focus on strategic planning and the review of financial forecasts, operating budgets, and cash flow to safeguard the charity's financial stability. Additionally, standard accounting systems are used to minimize risks of fraud and error.

By maintaining these governance structures and management practices, Lost Chord UK continues to ensure accountability, transparency, and sustainability in all its operations, enabling the charity to achieve its mission effectively.

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by order of the members of the board of Trustees and signed on their behalf by:

B W Frith
Trustee



Date: 28 January 2026

LOST CHORD UK
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Independent examiner's report to the Trustees of Lost Chord UK ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2025.

Responsibilities and basis of report

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) ('the 2006 Accounts Regulations') and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the charity are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 44(1)(c) of the 2005 Act and section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the requirements of Regulation 11 of the 2006 Accounts Regulations and the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the accounts do not accord with those records and with the accounting requirements of Regulation 8 of the 2006 Accounts Regulations; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

LOST CHORD UK
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 
Signer ID: WKOLTHN6RI...

Rachel Heath

Dated: 28/01/2026 GMT

FCCA DChA

BHP Professional Service Limited
Albert Works
Sidney Street
Sheffield
S1 4RG

LOST CHORD UK
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
	Note				
Income from:					
Donations and legacies	4	47,392	10,051	57,443	96,511
Charitable activities	5	43,327	-	43,327	41,580
Investments	6	3,219	-	3,219	3,615
Total income		93,938	10,051	103,989	141,706
Expenditure on:					
Raising funds	7	14,368	-	14,368	20,783
Charitable activities	8	188,079	4,064	192,143	256,148
Total expenditure		202,447	4,064	206,511	276,931
Net movement in funds		(108,509)	5,987	(102,522)	(135,225)
Reconciliation of funds:					
Total funds brought forward		226,938	-	226,938	362,163
Net movement in funds		(108,509)	5,987	(102,522)	(135,225)
Total funds carried forward	17	118,429	5,987	124,416	226,938

The Statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

LOST CHORD UK**(A company limited by guarantee)**REGISTERED NUMBER: 04793062

BALANCE SHEET*AS AT 31 MARCH 2025*

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	-	-
		-	-
Current assets			
Debtors	15	22,171	14,969
Cash at bank and in hand		107,300	219,794
		129,471	234,763
Current liabilities			
Creditors: amounts falling due within one year	16	(5,055)	(7,825)
Net current assets		124,416	226,938
Total assets less current liabilities			
		124,416	226,938
Total net assets			
		124,416	226,938
Charity funds			
Restricted funds	17	5,987	-
Unrestricted funds	17	118,429	226,938
Total funds		124,416	226,938

LOST CHORD UK

(A company limited by guarantee)

REGISTERED NUMBER: 04793062

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2025

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

B W Frith



Date: 28 January 2026

The notes on pages 21 to 34 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Lost Chord UK is a private company limited by guarantee incorporated in England and Wales and a charity registered in England & Wales and Scotland. The registered office is The Wesley Centre, Blyth Road, Maltby, Rotherham, S66 8JD.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional currency of the charity and are rounded to the nearest £.

Lost Chord UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.2 Going concern

The Trustees have considered the Charity's ability to continue as a going concern for a period extending to March 2027, being at least twelve months from the expected approval date of the financial statements for the year ended 31 March 2025. The assessment has taken into account the Charity's financial performance to date, anticipated income, approved budgets, cash flow forecasts, and a range of operational scenarios, including prudent worst-case cash flow forecasts for the period to April 2026 and March 2027 alongside the actions being taken to strengthen long-term sustainability.

The Trustees note that the charity has made material progress during the year in strengthening its underlying financial model. In particular:

- Community interactive music sessions are now fully funded, with many operating at full cost recovery. This has increased the reliability of earned income and reduced reliance on unrestricted donations to subsidise delivery.
- Care-based sessions, while still partially subsidised, are significantly less loss-making than in previous years because of pricing reviews, improved scheduling, and clearer minimum contributions from partners.
- The Trustees intend to continue rebalancing activity so that earned income from services accounts for approximately 50% of total income over the medium term, providing a more predictable and sustainable base.

The Trustees also note that Choirs That Care is now an established and fully funded programme, with proven delivery in South Yorkshire and a grant funder already engaged to support expansion into West Yorkshire. This programme provides both financial stability and a scalable model aligned with the charity's mission to support carers and families.

In addition to earned income, the charity has demonstrated the viability and scalability of event-based fundraising. Challenge and endurance fundraising, launched in 2024, exceeded income targets and has been identified as a key growth area. The Trustees plan to expand this activity so that event-based fundraising grows from its current level of approximately 5.9% of income to nearer 20% of total income over the medium term. This income stream is unrestricted, repeatable, and scalable, providing flexibility to support core costs.

The remaining proportion of income is planned to be generated through two strategic project strands, both of which incorporate CEO time alongside delivery by musicians and volunteers. These projects are designed to:

- Attract restricted funding that contributes to staff costs.
- Build longer-term partnerships; and
- Create pathways for future replication and scale.

Alongside this, the Trustees have agreed a significant strategic push on appeals and events to increase income and our established legacy and in-memory giving, moving away from reliance on occasional one-off legacies left in Wills, which are inherently more unpredictable and can cause income volatility. The charity will focus on developing regular in-memory fundraising, tribute giving, and online legacy promotion. The Trustees aim for this income stream to grow steadily through 2026, with the ambition that it contributes up to 30% of total income over time as these approaches mature.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.2 Going concern (continued)

The Trustees are further encouraged by the charity's broad funding base growing national profile and are actively engaged in discussions with the library service regarding the development of a potential nationwide programme. While this is at an early stage, it represents a significant opportunity to expand reach and impact using a scalable model consistent with the charity's values and expertise.

Taking all of the above into account, the Trustees believe that the charity has:

- A more balanced and resilient income mix.
- Demonstrable progress in reducing structural deficits in delivery.
- Identified, credible routes to growing unrestricted income; and
- Clear, managed plans to allocate staff capacity effectively.

Accordingly, the Trustees are satisfied that it is appropriate to prepare the financial statements on a going concern basis. The Trustees will continue to monitor performance closely and will review forecasts and assumptions regularly to ensure that timely action can be taken if required.

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Computer equipment	-	33% straight line
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2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Employee benefits and pensions

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Payments to defined contribution retirement schemes are charged as an expense as they fall due.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	26,343	2,196	28,539	71,618
Legacies	20,049	-	20,049	16,523
Grants	1,000	7,855	8,855	8,370
	47,392	10,051	57,443	96,511
Total 2024	84,141	12,370	96,511	

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Interactive musical sessions	43,327	43,327	41,580
Total 2024	41,580	41,580	

LOST CHORD UK
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Interest receivable	3,219	3,219	3,615
Total 2024	3,615	3,615	

7. Expenditure on raising funds

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Website maintenance and software	9,014	9,014	14,714
Printing	521	521	1,437
Events costs	3,981	3,981	3,270
Merchandise costs	191	191	494
Online fundraising fees	661	661	868
	14,368	14,368	20,783
Total 2024	20,783	20,783	

LOST CHORD UK
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Charitable activities expenditure	188,079	4,064	192,143	256,148
Total 2024	243,778	12,370	256,148	

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Charitable activities expenditure	97,831	94,312	192,143	256,148
Total 2024	168,110	88,038	256,148	

Analysis of direct costs

	Total funds 2025 £	Total funds 2024 £
Musician fees	83,914	134,033
Musician travel costs	10,695	19,780
Other direct costs	3,222	14,297
	97,831	168,110

LOST CHORD UK
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	80,566	58,293
Bank fees	1,690	2,178
Insurance	582	1,360
Office expenses	733	758
IT support	2,390	2,658
Postage, freight & courier	-	393
Safeguarding (inc tests and checks)	-	126
Staff training	-	524
Staff travel & accommodation	1,016	5,679
Telephone & internet	566	691
Working from home allowance	516	234
Bad debt write off	500	929
Governance costs (note 9)	5,753	14,215
	94,312	88,038

9. Governance costs

	2025 £	2024 £
Accountancy and independent examination	3,704	4,877
Trustees' meeting costs	144	252
Trustees and impact	1,725	1,467
HR and payroll	180	7,619
	5,753	14,215

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

10. Independent examiner's remuneration

	2025	2024
	£	£
Fees payable to the charity's independent examiner for the independent examination of the charity's annual accounts	2,805	2,670

11. Staff costs

	2025	2024
	£	£
Wages and salaries	75,954	55,412
Social security costs	2,971	760
Contribution to defined contribution pension schemes	1,641	2,121
Work from home allowance	516	234
	81,082	58,527

The average number of persons employed by the charity during the year was as follows:

2025	2024
No.	No.
2	2

No employee received remuneration amounting to more than £60,000 in either year.

The gross remuneration of the key management personnel during the year was £80,566 (2024: £58,293). The key management personnel is deemed to be the Chief Executive and the Operations Manager.

12. Pension commitments

Pension costs are accounted for in accordance with FRS102. Pension costs charged in the financial statements are £1,641 (2024: £2,121) representing the contributions payable by the charity during the year ended 31 March 2025. There were contributions totalling £137 (2024: £405) outstanding at the year end.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits. During the prior year a Trustee, Sally Glennon, received £15,283 for provision of professional musician services. The trustee stepped down in the prior year.

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Trustees' remuneration and expenses (continued)

No expenses have been paid in the year to the trustees (2024: £nil). Donations totalling £nil were received from the trustees in the year (2024: £234).

14. Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2024	4,384
At 31 March 2025	4,384
Depreciation	
At 1 April 2024	4,384
At 31 March 2025	4,384
Net book value	
At 31 March 2025	-
At 31 March 2024	-

15. Debtors

	2025 £	2024 £
Trade debtors	2,795	12,382
Other debtors	-	1,365
Prepayments and accrued income	19,376	1,222
	22,171	14,969

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. Creditors: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	921	446
Other creditors	164	413
Accruals and deferred income	3,970	6,966
	5,055	7,825

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
<i>Unrestricted funds</i>				
General funds	226,938	93,938	(202,447)	118,429
<i>Restricted funds</i>				
South Yorkshire Community Foundation	-	3,405	(818)	2,587
Other restricted funds	-	6,646	(3,246)	3,400
	-	10,051	(4,064)	5,987
<i>Total of funds</i>	226,938	103,989	(206,511)	124,416

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
<i>Unrestricted funds</i>				
General funds	362,163	129,336	(264,561)	226,938
<i>Restricted funds</i>				
Rotherham MBC	-	4,390	(4,390)	-
Jewish Music Institute	-	3,000	(3,000)	-
Other restricted funds	-	4,980	(4,980)	-
	-	12,370	(12,370)	-
<i>Total of funds</i>	362,163	141,706	(276,931)	226,938

South Yorkshire Community Foundation - funding to deliver community singalong sessions at various venues across Rotherham.

Rotherham MBC - funding for unpaid carers support service and Bramley & Ravenfield singalong sessions.

Jewish Music Institute - funds for 8 training sessions with two musicians.

Other restricted funds - other funding received for specific music sessions or for sessions in specific areas.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Current assets	123,484	5,987	129,471
Creditors due within one year	(5,055)	-	(5,055)
Total	118,429	5,987	124,416

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Total funds 2024 £
Current assets	234,763	234,763
Creditors due within one year	(7,825)	(7,825)
Total	226,938	226,938

19. Related party transactions

Other than those disclosed in note 13, no related party transactions have taken place during the year (2024: none).

LOST CHORD UK

England & Wales - Charity number 1099385

Accounts

LOST CHORD UK
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

LOST CHORD UK
(A company limited by guarantee)

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LOST CHORD UK
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024

Trustees	B W Frith M E Procter D Stone K J Bottomley (resigned 29 August 2024) S Glennon (resigned 28 February 2024) E A Holmes (resigned 11 September 2024) M Venables (resigned 28 November 2023)
Company registered number	04793062
Charity registered numbers	1099385 and SC052157
Registered office	The Wesley Centre Blyth Road Maltby Rotherham S66 8JD
Chief executive officer	Jean Collingwood (from January 2024)
Independent Examiner	Rachel Heath FCCA DChA BHP LLP 2 Rutland Park Sheffield S10 2PD

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the financial statements of the Lost Chord UK for the 1 April 2023 to 31 March 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

Lost Chord UK focuses on providing high-quality, interactive music experiences that are accessible and impactful to people with dementia and other neurological conditions, such as Alzheimer's, Parkinson's, and Motor Neurone Disease, as well as their carers to improve their mental and physical health, well-being, and quality of life. This mission is achieved by delivering participatory music sessions performed by a national network of professional musicians and supported by an army of highly committed and experienced volunteers. These sessions are designed to create meaningful engagement and long-lasting benefits for participants.

However, our work goes beyond this core group, as we are open to people of all ages and from all walks of life, fostering inclusion and connection within local communities. By offering sessions in community spaces and public settings, we create opportunities for everyone to experience the transformative power of music, whether they are children, families, or older adults. Our work not only supports those directly affected by ill health, disability, or social isolation but also educates and inspires others in the community. This interconnected approach helps strengthen wider society by raising awareness of how music can benefit individuals and their loved ones, creating moments of joy, connection, and mutual understanding across generations.

In setting objectives and planning activities, the Trustees of Lost Chord UK have given careful and due consideration to the general guidance published by the Charity Commission, particularly the guidance titled 'Public benefit: running a charity (PB2)'. This ensures that all of our work is aligned with our charitable purposes, meets public benefit requirements, and focuses on delivering meaningful and measurable outcomes for our beneficiaries. The Trustees remain committed to upholding the principles of transparency, inclusivity, and accountability in achieving the charity's objectives.

The activities undertaken align directly with the charity's purposes and deliver measurable benefits to both the direct beneficiaries and the wider community. This includes improving mental health, reducing isolation, and fostering a sense of community, particularly in disadvantaged areas.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

b. Strategies for achieving objectives

To achieve our objectives during the reporting period, Lost Chord UK implemented several key strategies designed to deliver impact in a sustainable and effective manner. These included:

- **Expanding Access to Beneficiaries:** We increased the reach of our services to ensure more people with dementia, and other neurological conditions (e.g., Alzheimer's, Parkinson's, Motor Neurone Disease), their carers, and the wider community could benefit from our interactive music sessions. During this time, we delivered 910 sessions across the UK, reaching 18,200 beneficiaries-a significant increase from the previous year.
- **Community-Led Engagement:** By working closely with and being guided by service users and our community partners, we delivered sessions in a variety of diverse and disadvantaged community spaces, such as libraries, dementia cafés, community centres, and places of worship. This approach ensured inclusivity and accessibility, allowing people from all age groups and backgrounds to experience the transformative power of music. These sessions not only encouraged participation and education in local communities, but also strengthened intergenerational connections and social cohesion between people from different ages, walks of life and communities.
- **Maintaining High Standards:** We continues to develop the quality of our interactive music sessions by collaborating with a dedicated team of volunteers and a roster of 65-80 professional musicians. The musicians are trained to improvise, collaborate and connect with people, delivering therapeutic, impactful experiences that are tailored to individual and group needs.
- **Measuring and Reporting Impact:** We established robust mechanisms to assess and document the outcomes of our work. This included gathering detailed impact reports from our care and community partners, which enabled us to track progress against our objectives. These reports highlighted the positive changes in beneficiaries' physical and mental well-being, as well as the wider social benefits to carers and communities.
- **Focusing on Innovation and Sustainability:** We diversified our funding streams and explored new methods of delivery to ensure long-term sustainability. At the same time, we adapted our work to address the evolving needs of beneficiaries and the challenges posed by wider societal issues such as social isolation and economic inequality.
- **Achieving Deeper Impact in Care and End-of-Life Settings:** By using a user-focused and user-led Theory of Change framework, we worked with care partners and beneficiaries to monitor the cumulative impact of our sessions on people over time. This approach helped us track how interactive music sessions improved physical and mental health. For example, we used scarves in sessions to encourage mobility and participation, sequential songs to improve memory, and reminiscence techniques to reconnect people with their loved ones. These methods meant we were able to significantly improve mood, reduce anxiety, and improve overall health and well-being.
- **Launching Our First Stakeholder-Wide "WHY" Survey:** In March 2024, we launched our first comprehensive stakeholder-wide "WHY" survey. Led by service users, beneficiaries, carers, musicians, volunteers, funders, and community partners, the survey marked the first step towards becoming fully user- and community-led. The purpose was to ask what matters most to our community so that we can prioritise our services based on what is most important to the people who use them.

Objectives and activities (continued)

c. Strategic Leadership Appointment

In January 2024, Lost Chord UK took a significant step forward in achieving its objectives with the appointment of Jean Collingwood as Chief Executive Officer. Jean brings extensive experience as a charity leader, combined with the necessary vision, skills, and expertise to drive the charity’s mission forward. Her leadership aims to improve the charity’s impact, ensuring Lost Chord UK reaches even more beneficiaries while strengthening its position as a key advocate for the transformative power of music. Jean’s appointment reflects the charity’s commitment to sustainable growth, innovation, and delivering measurable benefits to individuals, carers, and communities.

Through these strategies, alongside the strengthened leadership, Lost Chord UK continues to make a profound and positive difference, improving lives through the therapeutic power of interactive music and addressing key challenges faced by beneficiaries and their communities.

d. Main activities undertaken to further the charity's purposes for the public benefit

Lost Chord UK focuses on providing high-quality, interactive music experiences tailored to the needs of individuals with dementia and other neurological conditions, particularly those who are socially isolated or otherwise excluded from such opportunities due to ill health, disability, or poverty. The charity operates in a variety of settings, including libraries, dementia cafés, community centres, places of worship, and care, nursing, and residential homes. Additionally, Lost Chord UK delivers its services in hospitals and hospices, particularly within palliative care environments.

These activities are both therapeutic and entertaining, contributing significantly to the mental and physical well-being of beneficiaries. Sessions include interactive techniques such as action songs to encourage physical activity, songbooks to foster memory recall and conversations, and sequential songs to improve cognitive function. Beyond the direct impact on individuals, the charity also provides opportunities for carers and family members to reconnect with their loved ones, reducing their emotional burden.

Achievements and performance

a. Achievements and Performance in 2023-2024

During the reporting period, Lost Chord UK achieved significant growth in its reach and impact:

1. Sessions Delivered: A total of 910 interactive music sessions were delivered across community settings, care homes, and hospitals. Approximately 18,200 beneficiaries were reached, representing a more than twofold increase compared to the previous year.
2. Beneficiaries: One-third of the sessions were held in community settings, reaching people with dementia, other neurological conditions, their carers, and the wider public. A particular focus was placed on supporting individuals in deprived areas who face social isolation.
3. Geographic Reach: While primarily serving communities in Yorkshire, London, the Midlands, and parts of Wales, the charity continued to expand its satellite services nationwide as part of its strategic growth plan.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

4. Impact on Beneficiaries: Lost Chord UK uses detailed impact reports completed by care and charity partners to measure the outcomes of its work. Key findings from the 2023-2024 period include:
 - Improved mental health and well-being of participants, with reduced anxiety and better sleep patterns observed.
 - Extraordinary breakthroughs, such as previously non-verbal people speaking or reconnecting with their loved ones as a direct result of the sessions.
 - Improve mobility and physical well-being due to participatory activities.
 - Made more people feel uplifted, joyful, more socially connected and able to meet life's challenges. Built social confidence from singing, learning performance skills, song writing or connecting with others as part of a choir.
 - Boosted mood, memory and movement.
 - Strengthened social connections and reduced isolation in marginalised areas, building social cohesion and fostering a sense of community.
5. Activity Costs: The charity's strategy to expand its reach post-pandemic led to an increase in activity costs from £154,867 in 2023 to £256,148 in 2024. This investment reflects the charity's commitment to addressing the growing demand for its services.
6. Community Support: With additional support from small local grants, Lost Chord UK successfully subsidised interactive music sessions, enabling greater access for community beneficiaries.

Through these achievements, Lost Chord UK has demonstrated its ability to adapt to the changing needs of its beneficiaries, particularly in a post-pandemic environment, and its continued commitment to delivering its objectives effectively. The charity's activities have provided both direct benefits to individuals and wider benefits to society by reducing isolation, improving health outcomes, and creating moments of joy and connection for those most in need.

Financial review

a. Going concern

The Trustees remain confident that Lost Chord UK is a going concern. This confidence is underpinned by several key factors:

- Anticipated income from diverse sources: Lost Chord UK benefits from a strong pipeline of anticipated legacy income, alongside grants and charitable activity income. While not all funds have yet been received, these diversified income streams provide a solid foundation for financial stability in the year ahead.
- Strategic approach to sustainability: The organisation has adopted a focused strategy to scale and prioritise its activities. By allocating resources effectively, implementing full-cost recovery measures, and tailoring expenditure to align with its activity budget, Lost Chord UK ensures its operations remain impactful and financially sustainable.
- Robust reserves policy: The charity maintains a prudent level of unrestricted reserves, which serve as a vital safety net to navigate uncertainties and mitigate financial risks. This ensures the organisation retains the flexibility to adapt to changing circumstances and unforeseen challenges.

These measures, combined with disciplined financial management and proactive efforts to secure additional funding, provide the Trustees with confidence that Lost Chord UK is a going concern. The charity remains committed to delivering its transformative work in the community while operating within its means and planning for sustained impact in the future.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Although the wider charity sector has experienced challenges such as a decline in public donations, Lost Chord UK's diversified funding streams, combined with its track record of financial responsibility, ensure that the charity is well-positioned to continue delivering its mission. There are no material uncertainties that cast doubt on the charity's ability to continue operating for the foreseeable future.

b. Reserves policy

At the end of the financial year, Lost Chord UK's total fund balances stood at £226,938, which provides the charity with the resources necessary to continue delivering its mission while maintaining financial stability. Of this amount, restricted reserves represent funds specifically received for ongoing and future projects, while unrestricted reserves allow for flexibility in responding to operational and unforeseen financial needs.

The Trustees aim to maintain unrestricted general reserves sufficient to cover six months of operational costs, which equates to approximately £59,000 at current expenditure levels. This level of reserves ensures that, in the event of a significant funding shortfall, the charity has sufficient time to identify alternative sources of income or, in a worst-case scenario, to wind down operations in an orderly and responsible manner.

In line with the Charity Commission's guidance, the Trustees regularly review the reserves policy to ensure that it aligns with the charity's needs and the external funding environment. Currently, the reserves remain in line with policy, and surplus funds are invested in low-risk assets to safeguard the charity's financial position while allowing for planned future use.

c. Financial review of the year

The accounts for the year to 31 March 2024 reflect a year of growth and significant investment in Lost Chord UK's charitable activities, as the charity continues to expand its reach and impact. Below is an overview of the financial performance for the period.

Income

The charity experienced a modest yet promising increase in total income during the year. Total income for 2023/24 rose to £141,706, compared to £126,076 in 2022/23, representing an increase of 12.4%.

Key contributions to this income growth include:

- Donations and legacies: Increased from £84,958 in 2023 to £96,511 in 2024.
- Charitable activity income: Increased from £39,676 in 2023 to £41,580 in 2024, reflecting continued recovery and growth following the pandemic.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Expenditure

While income showed promising growth, Lost Chord UK made significant investments in its charitable activities and fundraising efforts. Total expenditure increased substantially during the year, rising to £276,931 in 2024 compared to £161,092 in 2023, an increase of 71.5%.

- Expenditure on raising funds: Increased from £6,225 in 2023 to £20,783 in 2024. This rise reflects a strategic focus on improving fundraising efforts to secure sustainable funding for future growth.
- Expenditure on charitable activities: Increased significantly to £256,148 in 2024 from £154,867 in 2023- a 65.4% rise. This reflects the deliberate and strategic expansion of services to reach more beneficiaries, as well as the higher costs of operating in a post-pandemic environment.

Result for the Year

The significant increase in expenditure resulted in a deficit of £135,225 for the year ending 31 March 2024, compared to a deficit of £35,016 in 2023. This planned deficit reflects the Trustees' decision to prioritise the delivery of impactful services and the expansion of the charity's reach and support, following the pandemic.

Fund Balances

Despite the deficit, Lost Chord UK remains in a strong financial position. At 31 March 2024, the fund balances stood at £226,938, compared to £362,163 at the end of March 2023. The Trustees remain confident in the charity's ability to maintain financial stability while continuing to invest in delivering its charitable objectives.

Summary

The financial results for 2023/24 demonstrate Lost Chord UK's commitment to delivering high-quality, impactful services to its beneficiaries while investing in growth for the future. The increase in both income and expenditure reflects the organisation's response to the growing demand for its services and the need to address the long-term effects of the pandemic. Moving forward, the charity will continue to focus on building sustainable funding streams and managing resources effectively to further its mission of improving the lives of people with dementia, other neurological conditions, their carers, and the wider community.

Structure, governance and management

a. Constitution

Lost Chord UK is a company limited by guarantee, incorporated on 10 June 2003, and registered as a charity on 11 September 2003. The charity operates under its Articles of Association, which establish its objects and powers in accordance with the Memorandum of Association. Prior to incorporation, Lost Chord operated as a project under the auspices of Voluntary Action Rotherham, delivering services since its inception in 1999.

b. Methods of appointment or election of Trustees

The Trustees, who also serve as the directors of the company, are recruited through a structured process informed by a skills gap analysis to ensure the board maintains a diverse and effective range of expertise. Trustees are selected based on their alignment with the charity's needs, mission, and values, and appointments are formally approved through a board resolution, which is duly minuted. Induction and ongoing governance training are provided to all Trustees to ensure they are equipped to fulfill their roles effectively.

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Board of Trustees holds overall responsibility for setting the charity's strategy, ensuring policies are in place, and monitoring compliance. Day-to-day operational management is delegated to the Chief Executive, who reports regularly to the Trustees. The Trustees are committed to upholding robust governance practices, including regular reviews of employment policies, contracts, and management procedures to ensure continued compliance with current regulations and best practices.

d. Collaborative Partnerships

Lost Chord UK fulfills its charitable objectives through collaborative work with a wide range of organisations, including South Yorkshire Fire and Rescue, the NHS, dementia cafés, the MS Society, children's hospices, and palliative care providers. These partnerships enable the charity to expand its reach and deliver innovative programs, such as community choirs, physical activity initiatives in collaboration with Rotherham United Football Trust, and educational projects with schools, places of worship, and local councils to combat social isolation. Lost Chord is also a proud member of the National Dementia Action Alliance, working alongside organisations such as Age UK, Alzheimer's Society, and Dementia UK to improve the lives of those affected by dementia and other neurological conditions.

e. Transparency in Trustee Remuneration

Lost Chord UK ensures full transparency and accountability in financial matters. It is the charity's policy that Trustees do not receive payment for services unrelated to their governance role, in compliance with Charity Commission and Companies House regulations. In the rare instance where Trustees provide services outside their governance duties, the following rigorous processes are observed:

1. **Approval Process:** Payments are subject to Board approval, documented in meeting minutes.
2. **Conflict of Interest:** Trustees must declare any conflicts of interest and abstain from decision-making related to their remuneration.
3. **Fair Market Value:** Payments are benchmarked to fair market rates in line with the charity's procurement policies.
4. **Annual Disclosure:** Any payments made are transparently disclosed in the charity's annual report.

These measures ensure that all financial transactions are in the best interests of the charity and its beneficiaries.

f. Risk management

The Trustees are committed to proactively identifying and mitigating risks that may impact the charity's operations. A robust risk management framework is in place, encompassing financial controls, strategic reviews, and compliance monitoring. Regular Trustee meetings focus on strategic planning and the review of financial forecasts, operating budgets, and cash flow to safeguard the charity's financial stability. Additionally, standard accounting systems are used to minimize risks of fraud and error.

By maintaining these governance structures and management practices, Lost Chord UK continues to ensure accountability, transparency, and sustainability in all its operations, enabling the charity to achieve its mission effectively.

Plans for future periods

Lost Chord UK is committed to consolidating and refining its operations over the next year and beyond to increase its impact and strengthen its capacity to deliver meaningful change. Following a comprehensive stakeholder survey launched in February 2024, the charity has identified key areas of focus as part of its strategic plan:

1. Refining Activities to Maximise Impact

Over the past two years, the charity has expanded its work to trial new venues and approaches for engaging with the community. Moving forward, Lost Chord UK will focus on:

- Scaling down activities that have a lesser impact to prioritise those that deliver measurable and sustainable benefits to beneficiaries.
- Directing resources to areas with the greatest need and potential for impact.
- Exploring innovative self-sustaining models, such as “pay it forward” schemes and membership-based programs, to maintain free access to services for those in need.

2. Building Operational Capacity

To support the growing needs of beneficiaries and carers, Lost Chord UK plans to:

- Develop its team of professional musicians and volunteers through training, support, and engagement.
- Strengthen operational processes and capacity to scale services and reach new locations effectively.
- Allocate resources strategically to areas with unmet needs, particularly focusing on deprived and socially isolated communities.

3. Expanding Beneficiary Support

While dementia and neurological conditions remain a core focus, Lost Chord UK will continue to develop projects that extend beyond dementia, including:

- Supporting carers, including those who are bereaved, to address their unique challenges.
- Educating the wider community, including children, about the transformative power of music to improve mental health, well-being, and quality of life.

4. Strengthening Fundraising and Advocacy

Lost Chord UK will continue to build its case for support by:

- Demonstrating its impact through robust data and storytelling, including impact reports and testimonials.
- Advocating for the benefits of interactive music to improve health and well-being for beneficiaries and wider society.
- Engaging with donors, funders, and the public to secure sustainable funding and raise awareness of the charity’s mission.

Plans for future periods (continued)

5. Scaling operations to focus on quality and sustainability

The charity recognises the need to balance growth with sustainability. As a result, Lost Chord UK is implementing a strategic scaling process in certain areas to:

- Consolidate resources and focus on impactful projects.
- Trial innovative models that create long-term sustainability.
- Strengthen its ability to respond to the increasing demand for services amidst a challenging economic environment.

6. Commitment to Growth and Innovation

Lost Chord UK remains a pioneering organisation in using music as a therapeutic tool to improve lives. With its unique expertise, dedicated team, and clear vision, the charity is well-positioned to achieve its long-term goals.

Over the next three years, Lost Chord UK will continue to develop new projects, refine its Theory of Change framework, and explore innovative ways to address the challenges faced by beneficiaries and their carers.

By maintaining financial discipline, focusing on impactful activities, and leveraging its unique skills and resources, Lost Chord UK will ensure it continues to make a lasting difference in the lives of those it serves.

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

LOST CHORD UK
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by order of the members of the board of Trustees and signed on their behalf by:

Benjamin Frith

Signature ID: 38161Y8NBD...

B W Frith

Trustee

Date: 15/12/2024 GMT

LOST CHORD UK
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Independent examiner's report to the Trustees of Lost Chord UK ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2024.

Responsibilities and basis of report

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) ('the 2006 Accounts Regulations') and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the charity are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 44(1)(c) of the 2005 Act and section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the requirements of Regulation 11 of the 2006 Accounts Regulations and the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the accounts do not accord with those records and with the accounting requirements of Regulation 8 of the 2006 Accounts Regulations; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

LOST CHORD UK
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 
Signer ID: WKOLTHN6RI...

Rachel Heath

Dated: 16/12/2024 GMT

FCCA DChA

BHP LLP
2 Rutland Park
Sheffield
S10 2PD

LOST CHORD UK
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	84,141	12,370	96,511	84,958
Charitable activities	5	41,580	-	41,580	39,676
Investments	6	3,615	-	3,615	1,442
Total income		129,336	12,370	141,706	126,076
Expenditure on:					
Raising funds	7	20,783	-	20,783	6,225
Charitable activities	8	243,778	12,370	256,148	154,867
Total expenditure		264,561	12,370	276,931	161,092
Net movement in funds		(135,225)	-	(135,225)	(35,016)
Reconciliation of funds:					
Total funds brought forward		362,163	-	362,163	397,179
Net movement in funds		(135,225)	-	(135,225)	(35,016)
Total funds carried forward	16	226,938	-	226,938	362,163

The Statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

LOST CHORD UK
(A company limited by guarantee)
REGISTERED NUMBER: 04793062

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	-	-
		-	-
Current assets			
Debtors	14	14,969	77,843
Cash at bank and in hand		219,794	293,142
		234,763	370,985
Creditors: amounts falling due within one year	15	(7,825)	(8,822)
Net current assets		226,938	362,163
Total assets less current liabilities		226,938	362,163
Total net assets		226,938	362,163
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	226,938	362,163
Total funds		226,938	362,163

LOST CHORD UK

(A company limited by guarantee)

REGISTERED NUMBER: 04793062

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Benjamin Frith

Signer ID: 38161Y8NBD...

B W Frith

Trustee

Date: 15/12/2024 GMT

The notes on pages 17 to 31 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Lost Chord UK is a private company limited by guarantee incorporated in England and Wales and a charity registered in England & Wales and Scotland. The registered office is The Wesley Centre, Blyth Road, Maltby, Rotherham, S66 8JD.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional currency of the charity and are rounded to the nearest £.

Lost Chord UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees remain confident that Lost Chord UK is a going concern. This confidence is underpinned by several key factors:

- Anticipated income from diverse sources: Lost Chord UK benefits from a strong pipeline of anticipated legacy income, alongside grants and charitable activity income. While not all funds have yet been received, these diversified income streams provide a solid foundation for financial stability in the year ahead.
- Strategic approach to sustainability: The organisation has adopted a focused strategy to scale and prioritise its activities. By allocating resources effectively, implementing full-cost recovery measures, and tailoring expenditure to align with its activity budget, Lost Chord UK ensures its operations remain impactful and financially sustainable.
- Robust reserves policy: The charity maintains a prudent level of unrestricted reserves, which serve as a vital safety net to navigate uncertainties and mitigate financial risks. This ensures the organisation retains the flexibility to adapt to changing circumstances and unforeseen challenges.

These measures, combined with disciplined financial management and proactive efforts to secure additional funding, provide the Trustees with confidence that Lost Chord UK is a going concern. The charity remains committed to delivering its transformative work in the community while operating within its means and planning for sustained impact in the future.

Although the wider charity sector has experienced challenges such as a decline in public donations, Lost Chord UK's diversified funding streams, combined with its track record of financial responsibility, ensure that the charity is well-positioned to continue delivering its mission. There are no material uncertainties that cast doubt on the charity's ability to continue operating for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.6 Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Computer equipment	-	33% straight line
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2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Employee benefits and pensions

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Payments to defined contribution retirement schemes are charged as an expense as they fall due.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Grants				
Dinnington Parish Council	-	400	400	465
Maltby and Hellaby Parish Councils	-	65	65	650
Marjorie Coote Old People's Charity Fund	-	2,000	2,000	2,000
Power of Music Fund	-	1,000	1,000	-
Ravenfield Council	-	515	515	-
Rotherham MBC	-	4,390	4,390	-
Voluntary Action Rotherham	-	-	-	13,830
	-	8,370	8,370	16,945
Donations and gifts	67,618	4,000	71,618	68,013
Legacies	16,523	-	16,523	-
	84,141	12,370	96,511	84,958
Total 2023	81,843	3,115	84,958	

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Interactive musical concerts	41,580	41,580	39,676
Total 2023	39,676	39,676	

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Interest receivable	3,615	3,615	1,442
Total 2023	1,442	1,442	

7. Expenditure on raising funds

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Website maintenance and software	14,714	14,714	1,485
Printing	1,437	1,437	4,740
Events costs	3,270	3,270	-
Merchandise costs	494	494	-
Online fundraising fees	868	868	-
	20,783	20,783	6,225
Total 2023	6,225	6,225	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Charitable activities expenditure	243,778	12,370	256,148	154,867
Total 2023	151,752	3,115	154,867	
	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Charitable activities expenditure	168,110	88,038	256,148	154,867
Total 2023	81,383	73,484	154,867	

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Interactive musical concerts	168,110	81,383

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	58,293	49,905
Depreciation	-	606
Bank fees	2,178	1,655
Insurance	1,360	1,433
Office expenses	758	1,372
IT support	2,658	2,186
Postage, freight & courier	393	66
Safeguarding (inc tests and checks)	126	-
Staff training	524	-
Staff travel & accommodation	5,679	893
Telephone & internet	691	439
Working from home allowance	234	-
General expenses	-	601
Bad debt write off	929	-
Governance costs (note 9)	14,215	14,328
	88,038	73,484

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Governance costs

	2024	2023
	£	£
Accountancy and independent examination	4,877	6,208
Legal services	-	7,106
Trustees and impact	1,719	916
HR and payroll	7,619	98
	14,215	14,328

10. Independent examiner's remuneration

	2024	2023
	£	£
Fees payable to the charity's independent examiner for the independent examination of the charity's annual accounts	2,670	2,320
Fees payable to the charity's independent examiner in respect of:		
All other services not included above	-	1,024

11. Staff costs

	2024	2023
	£	£
Wages and salaries	55,412	48,000
Social security costs	760	652
Contribution to defined contribution pension schemes	2,121	1,253
	58,293	49,905

The average number of persons employed by the charity during the year was as follows:

2024	2023
No.	No.
2	1

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

The gross remuneration of the key management personnel during the year was £58,293 (2023: £49,905). The key management personnel is deemed to be the Chief Executive and the Operations Manager.

12. Trustees' remuneration and expenses

During the year a Trustee, Sally Glennon, received £15,283 for provision of professional musician services. The trustee stepped down in the year (2023: £5,722).

No expenses have been paid in the year to the trustees (2023: £nil). Donations totalling £234 were received from the trustees in the year (2023: £124).

13. Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2023	4,384
At 31 March 2024	4,384
Depreciation	
At 1 April 2023	4,384
At 31 March 2024	4,384
Net book value	
At 31 March 2024	-
At 31 March 2023	-

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Debtors

	2024	2023
	£	£
Trade debtors	12,382	2,569
Other debtors	1,365	75,000
Prepayments and accrued income	1,222	274
	14,969	77,843

15. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	446	-
Other taxation and social security	-	2,381
Other creditors	413	3,160
Accruals and deferred income	6,966	3,281
	7,825	8,822

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
<i>Unrestricted funds</i>				
General funds	362,163	129,336	(264,561)	226,938
<i>Restricted funds</i>				
Dinnington and Parish Council	-	400	(400)	-
Maltby and Hellaby Parish Councils	-	65	(65)	-
Marjorie Coote Old People's Charity Fund	-	2,000	(2,000)	-
Power of Music Fund	-	1,000	(1,000)	-
Ravenfield Council	-	515	(515)	-
Rotherham MBC	-	4,390	(4,390)	-
Jewish Music Institute	-	3,000	(3,000)	-
Rotherham Choral Society	-	1,000	(1,000)	-
	-	12,370	(12,370)	-
<i>Total of funds</i>	362,163	141,706	(276,931)	226,938

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
<i>Unrestricted funds</i>				
General funds	397,179	122,961	(157,977)	362,163
<i>Restricted funds</i>				
Dinnington and Parish Council	-	465	(465)	-
Maltby and Hellaby Parish Councils	-	650	(650)	-
Marjorie Coote Old People's Charity Fund	-	2,000	(2,000)	-
	-	3,115	(3,115)	-
<i>Total of funds</i>	397,179	126,076	(161,092)	362,163

Maltby and Hellaby Parish Councils - to fund a contribution to a musician at Lost Chord UK Pie and Pea event at the Wesley Centre.

Dinnington and Parish Council - funds for sessions in Dinnington.

Marjorie Coote Old People's Charity - funding for sessions for the elderly.

Power of Music Fund - funds for sessions at Quaker Meeting House.

Ravenfield Council - funding for sessions within Ravenfield.

Rotherham MBC - funding for unpaid carers support service and Bramley & Ravenfield singalong sessions.

Jewish Music Institute - funds for 8 training sessions with two musicians.

Rotherham Choral Society - to fund Crucible sessions during 2023.

LOST CHORD UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
General funds	362,163	129,336	(264,561)	226,938
Restricted funds	-	12,370	(12,370)	-
	362,163	141,706	(276,931)	226,938

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
General funds	397,179	122,961	(157,977)	362,163
Restricted funds	-	3,115	(3,115)	-
	397,179	126,076	(161,092)	362,163

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Current assets	234,763	234,763
Creditors due within one year	(7,825)	(7,825)
Total	226,938	226,938

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	370,985	370,985
Creditors due within one year	(8,822)	(8,822)
Total	362,163	362,163

19. Pension commitments

Pension costs are accounted for in accordance with FRS102. Pension costs charged in the financial statements are £2,121 (2023: £1,253) representing the contributions payable by the charity during the year ended 31 March 2024. There were contributions totalling £405 (2023: £243) outstanding at the year end.

20. Related party transactions

Other than those disclosed in note 12, no related party transactions have taken place during the year (2023: none).

LOST CHORD UK

England & Wales - Charity number 1099385

Accounts

Charity registration number 1099385

Company registration number 04793062 (England and Wales)

AMENDED

LOST CHORD UK

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

LOST CHORD UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs K J Bottomley	(Appointed 12 May 2022)
	Mr B W Frith	
	Ms S Glennon	
	Mr E A Holmes	
	Dr M Venables	
	Mr M E Procter	
	Ms D Stone	(Appointed 21 September 2022)
Charity number	1099385	
Company number	04793062	
Registered office	The Wesley Centre Blyth Road Maltby Rotherham S66 8JD	
Independent examiner	Knowles Warwick Audit Services Limited Charlotte House 500 Charlotte Road Sheffield S2 4ER	

LOST CHORD UK

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Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 14
These accounts:	
- replace the original accounts	
- are now the statutory accounts	
- are prepared as they were at the date of the original accounts	

LOST CHORD UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The Trustees who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objective of the charitable company is to improve the well-being and self-esteem of persons living with dementia by the organisation and playing of interactive musical concerts.

The Trustees confirm that they have complied with the duty under Section 4 of the Charities Act 2006 by referring to the charity commission's general guidance on public benefit when reviewing the aim and objectives of the charity and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

2022/23 was a year during which Lost Chord found its feet again, following the pandemic. Under the Leadership of CEO Ms Clare Langan, normal service was steadily resumed with increasing numbers of concerts in care homes and services expanded to provide community interactive music sessions and community singalong sessions. Bedside 1-2-1s also continued.

Plans to resume grant applications did not materialize in 2022/23 due to the CEO being immersed in operational and charity modernisation activities. Despite this, Lost Chord emerges from the year in a strong financial position due to its significant reserves but it should be noted that increased fund-raising activities will be needed to avoid further operational losses in 2023-24.

The Memorandum and Articles of Association were completely revised to reflect the modern, forward looking and renamed Lost Chord UK.

The charity is fortunate and very proud to have a group of talented, compassionate and professional musicians eager to provide a range of musical sessions alongside our dedicated volunteers and supportive Patrons.

The CEO, working with the Trustees, have an excellent and exciting opportunity in 2023-24 to ensure the charity goes from strength to strength.

Our vision is to be the 'go-to' outreach session provider for care homes, day centres and memory cafés and to also run our own community events, eventually to have sessions running in every county in England and be operational in Wales, Northern Ireland and Scotland.

LOST CHORD UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The accounts for the year to 31st March 2023 show a loss of £35,016 in comparison with the year ending 31st March 2022 which showed a profit of £7,489. However Lost Chord UK is still in a strong position to support the work of the charity into 2023/24 with fund balances at 31st March 2023 standing at £362,163.

Operational Income increased from £11,130 in 2022 to £39,676 in 2023, reflecting the post pandemic renewal of services.

Donations and grant applications reduced from £116,129 in 2022 to £84,958 in 2023. There was plenty of successful but relatively small scale fundraising activity and the lack of grant applications made was apparent.

Costs were well controlled and in line with the increased activity of the charity.

The legacy from the Jenny Gregorian Estate has not yet been received. This legacy is reflected in the 2022 accounts as 'legacies receivable £75,000'. It should be noted that this is the anticipated amount we will receive from the sale of the property and other assets based on correspondence from the solicitor of the estate. The house is yet to be sold and this amount is by no means guaranteed to be received given the current economic climate. The Trustees are extremely grateful to receive such a significant legacy.

Surplus funds are currently invested on a basis that is considered to be relatively risk free.

Reserves policy

The Charity Commission for England and Wales requires charities to have a policy on the level of reserves held by the charity. This is to ensure that charities spend money on the purposes for which the charity was set up rather than simply accumulating cash. The policy of Lost Chord is to ensure that should funding materially deteriorate, for whatever reason, then it would have time to consider alternative funding options and, in the worst scenario, be able to manage the closure of its operations and obligations in an orderly fashion, both of which combined would take in the order of six months. Such obligations would include staging concerts already committed to, terminating its contractual commitments and the payment of salaries. In ordinary times, Lost Chord aimed to maintain reserves of at least six months but no more than nine months of annualised operating expenditure but due to the pandemic this has not been possible.

Funding has traditionally been applied for on a three-year basis which could mean that funds received in year one may not be used until year three so that the charity can periodically accumulate significant funds. However, the grants that are received in advance are treated as deferred income to be utilised for the payment of future expenses.

Plans for future periods

The charity plans to continue the activities outlined above for the forthcoming years, subject to satisfactory funding and donations and intends to implement a strategic plan which may involve some consolidation of services around our core offerings where we can most effectively leverage the charities resources.

To support the growth of the charity it is imperative that the charity recruits operational support to allow the CEO to resume grant applications and focus on the promotion of the charity and its fundraising.

Lost Chord must continue to innovate and evolve in order to survive in the highly competitive market. We must also continue to respond to the rapidly increasing numbers of dementia diagnoses which sees people living with the disease in community.

LOST CHORD UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

The Charity is a company limited by guarantee and was incorporated on 10 June 2003. The Memorandum of Association established the objects and powers of the charity and it is governed under its Articles of Association. The Charity was registered as a charity on 11 September 2003. Prior to 10 June 2003 Lost Chord was a project run under the auspices of Voluntary Action Rotherham and has been delivering services since 1999.

The Trustees, who are also directors and members of the charity, are recruited by networking and are selected following a skills need analysis by the Trustees. Any appointment of a Trustee is made by a resolution of the board of Trustees and is formally minuted.

The Trustees retain overall responsibility for the charity's strategies and policies and delegate the operational management to the chief executive. The Trustees continue to review corporate governance including contracts, employment policies and management practices to ensure continued compliance.

The charity works independently though seeks to fulfil its objects by working collaboratively with other organisations such as Making Space performing concerts in their day centres in South Yorkshire. Lost Chord is a member of the National Dementia Action Alliance working alongside member groups such as Age UK, Alzheimer's Society and Dementia UK.

Statement Regarding Trustees Remuneration Approval Process:

Lost Chord UK ensures transparency and accountability in all financial matters, including payments made to trustees for non-related activities. We adhere to Charity Commission regulations and Companies House requirements to ensure that all payments are made in accordance with charity law and the charity's governing document, and are in the best interests of the charity and its beneficiaries.

Key Points of Lost Chord UK's Trustee Remuneration Approval Process:

1. **Trustee Approval:** Any payments made to trustees for non-trustee related services are subject to approval by the charity's Board of Trustees.
2. **Documented Approval Process:** The approval process for payments to trustees is documented in the Trustees' Annual Report, ensuring transparency and accountability.
3. **Fair Market price:** Payments for non-trustee related services are made at a fair market value, as determined by relevant industry standards and in accordance with the charity's procurement policy.
4. **Conflict of Interest Declaration:** Trustees involved in providing services to the charity must declare any conflicts of interest and refrain from participating in decisions regarding their own remuneration.
5. **Disclosure in Annual Report:** Payments for non-trustee related services are disclosed in Lost Chord UK's annual report and accounts, as required by Charity Commission regulations.

By following these procedures, Lost Chord UK ensures that all payments to trustees for non-related activities are made transparently, responsibly, and in the best interests of the charity and its beneficiaries.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

As a matter of best practice, the directors are conscious of the need to consider risk management. The charity has initiated standard accounting systems to mitigate financial risk, whilst holding regular meetings involving strategic planning and review to mitigate risk generally.

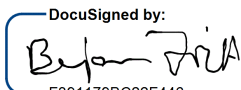
LOST CHORD UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Trustees

Mrs K J Bottomley	(Appointed 12 May 2022)
Mr B W Frith	
Ms S Glennon	
Mr E A Holmes	
Dr M Venables	
Mr M E Procter	
Ms D Stone	(Appointed 21 September 2022)

The trustees' report was approved by the Board of Trustees.

DocuSigned by:

E391179BC22F446...
Mr B W Frith
Chair of Trustees

30 January 2024

LOST CHORD UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LOST CHORD UK

I report to the trustees on my examination of the financial statements of Lost Chord UK (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

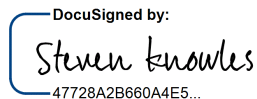
- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Knowles Warwick Audit Services Limited

Charlotte House
500 Charlotte Road
Sheffield
S2 4ER

Dated: 31 January 2024

DocuSigned by:

47728A2B660A4E5...

LOST CHORD UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £
Income from:					
Donations and legacies	2	81,843	3,115	84,958	116,129
Charitable activities	3	39,676	-	39,676	11,130
Investments	4	1,442	-	1,442	129
Total income		122,961	3,115	126,076	127,388
Expenditure on:					
Raising funds	5	6,225	-	6,225	7,504
Charitable activities	6	151,752	3,115	154,867	112,395
Total expenditure		157,977	3,115	161,092	119,899
Net income/(expenditure) and movement in funds		(35,016)	-	(35,016)	7,489
Reconciliation of funds:					
Fund balances at 1 April 2022		397,179	-	397,179	389,690
Fund balances at 31 March 2023		362,163	-	362,163	397,179

The notes on pages 8 to 14 form part of these financial statements.

LOST CHORD UK**BALANCE SHEET****AS AT 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		-		606
Current assets					
Debtors	12	77,843		77,150	
Cash at bank and in hand		293,142		326,632	
		<u>370,985</u>		<u>403,782</u>	
Creditors: amounts falling due within one year	13	8,822		7,209	
		<u></u>		<u></u>	
Net current assets			362,163		396,573
Total assets less current liabilities			<u>362,163</u>		<u>397,179</u>
The funds of the charity					
Unrestricted funds			362,163		397,179
			<u>362,163</u>		<u>397,179</u>

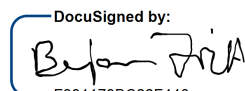
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 30 January 2024

DocuSigned by:

 F391179BC22F446...
 Mr B W Frith
Trustee

Company registration number 04793062 (England and Wales)

LOST CHORD UK

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

1 Accounting policies

Charity information

Lost Chord UK is a private company limited by guarantee incorporated in England and Wales. The registered office is The Wesley Centre, Blyth Road, Maltby, Rotherham, S66 8JD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, evidence is available to support an estimate, and receipt is expected.

LOST CHORD UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% straight line method
-----------	--------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LOST CHORD UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	68,013	-	68,013	36,149	-	36,149
Legacies receivable	-	-	-	75,000	-	75,000
Grants	13,830	3,115	16,945	4,980	-	4,980
	<u>81,843</u>	<u>3,115</u>	<u>84,958</u>	<u>116,129</u>	<u>-</u>	<u>116,129</u>
Grants receivable for core activities						
National Lottery	-	-	-	4,500	-	4,500
Dinnington Parish Council	-	465	465	-	-	-
Maltby and Hellaby Parish Councils	-	650	650	480	-	480
Voluntary Action Rotherham	13,830	-	13,830	-	-	-
Marjorie Coote Old Peoples Charity Fund	-	2,000	2,000	-	-	-
	<u>13,830</u>	<u>3,115</u>	<u>16,945</u>	<u>4,980</u>	<u>-</u>	<u>4,980</u>

LOST CHORD UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Income from donations and legacies (Continued)

3 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interactive musical concerts	39,676	11,130

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	1,442	129

5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Advertising	6,225	7,504

LOST CHORD UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	2023 £	2022 £
Staff costs	49,905	53,631
Depreciation and impairment	606	618
Interactive musical concerts	77,617	27,610
Rent and rates	1,420	6,227
Insurance	1,433	1,339
Legal and professional	676	1,515
Telephone	439	565
Travel	3,239	5,072
Printing and stationery	128	715
Hire of equipment	-	5,578
Computer running costs	2,186	2,166
Bank charges	1,673	1,444
Sundry expenses	2,809	971
	<u>142,131</u>	<u>107,451</u>
Share of governance costs (see note 7)	12,736	4,944
	<u>154,867</u>	<u>112,395</u>
Analysis by fund		
Unrestricted funds	151,752	112,395
Restricted funds	3,115	-
	<u>154,867</u>	<u>112,395</u>

7 Support costs allocated to activities

	2023 £	2022 £
Governance costs	12,736	4,944
Analysed between:		
Charitable activities	12,736	4,944

8 Trustees

During the year a Trustee, Sally Glennon received £5,579 for providing musician services and a further £143 for the reimbursement of non-trustee related expenses.

LOST CHORD UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Chief executive	1	1
Musical director	-	1
Total	1	2

Employment costs

	2023 £	2022 £
Wages and salaries	48,000	52,369
Social security costs	652	-
Other pension costs	1,253	1,262
	49,905	53,631

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Tangible fixed assets

	Computers £
Cost	
At 1 April 2022	4,384
At 31 March 2023	4,384
Depreciation and impairment	
At 1 April 2022	3,778
Depreciation charged in the year	606
At 31 March 2023	4,384
Carrying amount	
At 31 March 2023	-
At 31 March 2022	606

LOST CHORD UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	2,569	1,410
Other debtors	75,000	75,114
Prepayments and accrued income	274	626
	<u>77,843</u>	<u>77,150</u>

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	2,381	-
Trade creditors	-	1,277
Other creditors	3,160	256
Accruals and deferred income	3,281	5,676
	<u>8,822</u>	<u>7,209</u>

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	<u>397,179</u>	<u>122,961</u>	<u>(157,977)</u>	<u>362,163</u>
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
General funds	<u>389,690</u>	<u>127,388</u>	<u>(119,899)</u>	<u>397,179</u>

LOST CHORD UK

England & Wales - Charity number 1099385

Accounts

Charity registration number 1099385

Company registration number 04793062 (England and Wales)

LOST CHORD UK

FORMERLY LOST CHORD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

LOST CHORD UK

FORMERLY LOST CHORD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs K J Bottomley	(Appointed 12 May 2022)
	Mr B W Frith	
	Ms S Glennon	(Appointed 10 February 2022)
	Mr E A Holmes	(Appointed 30 November 2021)
	Dr M Venables	
	Mr M E Procter	(Appointed 30 November 2021)
	Ms D Stone	(Appointed 21 September 2022)
Charity number	1099385	
Company number	04793062	
Registered office	The Wesley Centre Blyth Road Maltby Rotherham S66 8JD	
Auditor	Knowles Warwick Audit Services Limited Charlotte House 500 Charlotte Road Sheffield S2 4ER	
Bankers	Natwest Wickersley (A) Branch Bawtry Road Wickersley S66 1JY	

LOST CHORD UK FORMERLY LOST CHORD CONTENTS

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Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 17

**LOST CHORD UK
FORMERLY LOST CHORD
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

The objective of the charitable company is to improve the well-being and self-esteem of persons living with dementia by the organisation and playing of interactive musical concerts.

The Trustees confirm that they have complied with the duty under Section 4 of the Charities Act 2006 by referring to the charity commission's general guidance on public benefit when reviewing the aim and objectives of the charity and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

LOST CHORD UK FORMERLY LOST CHORD TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Once again 2021/22 was a year like no other for Lost Chord with Corona Virus continuing to impact on our ability to perform in person at residential homes or to engage in fund raising events.

Donations and grant applications reduced from £150,177 to £106,129. Donations and legacies decreased marginally from £101,351 to £101,149 but would have been considerably lower without being notified of the legacy that will be due from the Jenny Gregorian Estate. This should become available at some point in fiscal year 2022-23. This legacy is reflected in the accounts as 'legacies receivable £75,000'. It should be noted that this is the anticipated amount we will receive from the sale of the property and other assets as deduced by the accountants from correspondence with the solicitor of the estate. The house is yet to be sold and this amount is by no means guaranteed to be received given the current economic climate. The Trustees are extremely grateful to receive such a significant legacy.

Grant income is down this period due to a complete review of the Lost Chord operation. As a result of the pandemic fundraising events ceased and hence there has been little income generation from this source, neither has there been the associated expenditures. There are plans in place to resume fund raising events and grant applications in 2022/23.

Lost Chord emerges from the year in a very strong financial position to be able to return to provide support where it is needed most and also with a diversified portfolio of sessions and the prospect of a completely revised Memorandum and Articles of Association.

Clare Langan was appointed CEO on 7th October 2021 with Helena Muller, the former CEO becoming Founder and Director of Music and subsequently taking redundancy and becoming Founder and Ambassador. The Trustees thank Mrs Muller for her significant contribution to the charity since its inception; her passion for the charity to reach as many people with dementia has been unstinting.

We continue to live through unprecedented times. Once again residential care homes have had to go into total lockdown meaning that for yet another year, Lost Chord has had to cease its normal activity. It is now recognised that we will never return to our old modus operandi and the charity must be completely re-visioned in order to survive in the post-pandemic world.

From December 2021, as a result of constant cancellations and finally the government decision to instigate Plan B on 8th December 2021, we decided to cease in person operations and took our interactive music sessions online in some homes. We then moved to individual bedside 1-2-1 singalong sessions via tablet/ipad/laptop. These proved very successful indeed with dramatic results in every session that have improved the wellbeing not only of the residents who have taken part, but also the carers. With Covid set to be part of all our lives these sessions will enable us to still perform if a care home goes into lockdown and enable us to reach the most vulnerable who live in bed. It also means that our musicians will still be able to use their gifts and be remunerated for their work in these very challenging economic times. Not all care homes have the digital infrastructure to allow these sessions but where they are possible they make a huge difference.

With the absence of in person sessions the decision was made to review the whole office operation which was digitised with every area being reviewed and updated ready for the 'new normal' post-pandemic world.

With the lifting of Plan B on 27th January we continued to ensure all our musicians performing in residential homes were double and subsequently triple vaccinated and taking daily lateral flow tests along with other precautions outlined in our Covid Protocol in line with Government guidelines for Care Homes.

Accounts were moved from Sage to Xero with Lost Chord putting to tender for new accountants in March 2021.

A complete review and rewriting of the Memorandum and Articles of Association was started to future proof the charity. The charity is fortunate and very proud to have a group of talented, compassionate and professional musicians eager to provide a range of musical sessions alongside our dedicated volunteers and supportive Patrons. Ms Langan, CEO, working with the Trustees, see 2022/23 as an excellent and exciting opportunity to restart the charity with a refreshed vision and values statement and will work incredibly hard to ensure the charity goes from strength to strength.

Our vision is to be the 'go-to' outreach session provider for care homes, day centres and memory cafés and to also run our own community events. To have sessions running in every county in England and be operational in Wales, Northern Ireland and Scotland.

LOST CHORD UK FORMERLY LOST CHORD TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial review

The accounts for the year to 31st March 2022 show a loss of £7,489 in comparison with year ending 31st March 2021 which showed a profit of £92,196. However Lost Chord UK is still in a strong position to support the work of the charity into 2022/23 and beyond with fund balances at 31st March 2022 standing at £397,179.

Surplus funds are currently invested on a basis that is considered to be minimal free.

Reserves policy

The Charity Commission for England and Wales requires charities to have a policy on the level of reserves held by the charity. This is to ensure that charities spend money on the purposes for which the charity was set up rather than simply accumulating cash. The policy of Lost Chord is to ensure that should funding materially deteriorate, for whatever reason, then it would have time to consider alternative funding options and, in the worst scenario, be able to manage the closure of its operations and obligations in an orderly fashion, both of which combined would take in the order of six months. Such obligations would include staging concerts already committed to, terminating its contractual commitments and the payment of salaries. In ordinary times, Lost Chord aimed to maintain reserves of at least six months but no more than nine months of annualised operating expenditure but due to the pandemic this has not been possible.

Funding has traditionally been applied for on a three-year basis which could mean that funds received in year one may not be used until year three so that the charity can periodically accumulate significant funds. However, the grants that are received in advance are treated as deferred income to be utilised for the payment of future expenses.

Plans for future periods

The charity plans to continue the activities outlined above for the forthcoming years, subject to satisfactory funding and donations and intends to implement a detailed strategic plan.

In addition, since 2020 it has become evident that Lost Chord must diversify and evolve in order to survive in the highly competitive market. We must also respond to the rapidly increasing numbers of dementia diagnoses which sees people living with the disease in community. This sector of the community and their carers desperately need support and will benefit from our intended community interactive music sessions and community singalong sessions.

As a charity we must embrace new technology and use it for the benefit of residents who because they live in bed would never have been able to attend our in-person sessions. We aim to expand our Bedside 1-2-1 sessions in the future.

All the above innovations and additions to our portfolio of sessions will be within the scope of our new governing document.

Structure, governance and management

The Charity is a company limited by guarantee and was incorporated on 10 June 2003. The Memorandum of Association established the objects and powers of the charity and it is governed under its Articles of Association. The Charity was registered as a charity on 11 September 2003. Prior to 10 June 2003 Lost Chord was a project run under the auspices of Voluntary Action Rotherham and has been delivering services since 1999.

The Trustees, who are also directors and members of the charity, are recruited by networking and are selected following a skills need analysis by the Trustees. Any appointment of a Trustee is made by a resolution of the board of Trustees and is formally minuted.

The Trustees retain overall responsibility for the charity's strategies and policies and delegate the operational management to the chief executive. The Trustees continue to review corporate governance including contracts, employment policies and management practices to ensure continued compliance.

The charity works independently though seeks to fulfil its objects by working collaboratively with other organisations such as Making Space performing concerts in their day centres in South Yorkshire. Lost Chord is a member of the National Dementia Action Alliance working alongside member groups such as Age UK, Alzheimer's Society and Dementia UK.

LOST CHORD UK FORMERLY LOST CHORD TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

As a matter of best practice, the directors are conscious of the need to consider risk management. The charity has initiated standard accounting systems to mitigate financial risk, whilst holding regular meetings involving strategic planning and review to mitigate risk generally.

Trustees

Mrs K J Bottomley	(Appointed 12 May 2022)
Mr B W Frith	
Ms S Glennon	(Appointed 10 February 2022)
Mr E A Holmes	(Appointed 30 November 2021)
Dr M Venables	
Mr M E Procter	(Appointed 30 November 2021)
C J MacCormac	(Resigned 30 November 2021)
E Skelton	(Resigned 19 October 2021)
E F Lye	(Resigned 18 August 2021)
J C Revill	(Resigned 19 November 2021)
Ms D Stone	(Appointed 21 September 2022)
Mr A Patil	(Appointed 30 November 2021 and resigned 5 January 2022)

Auditor

Knowles Warwick Audit Services Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Mr B W Frith

Chair of Trustees

22 December 2022

**LOST CHORD UK
FORMERLY LOST CHORD
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees, who are also the directors of Lost Chord UK for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

LOST CHORD UK FORMERLY LOST CHORD INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LOST CHORD UK

Opinion

We have audited the financial statements of Lost Chord UK (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

LOST CHORD UK FORMERLY LOST CHORD INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LOST CHORD UK

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Knowles (Senior Statutory Auditor)
for and on behalf of Knowles Warwick Audit Services Limited

23 December 2022

Chartered Accountants
Statutory Auditor

Charlotte House
500 Charlotte Road
Sheffield
S2 4ER

**LOST CHORD UK
FORMERLY LOST CHORD
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes				
<u>Income from:</u>					
Donations and legacies	2	116,129	111,351	38,826	150,177
Charitable activities	3	11,130	935	-	935
Investments	4	129	310	-	310
Total income		127,388	112,596	38,826	151,422
<u>Expenditure on:</u>					
Raising funds	5	7,504	1,950	-	1,950
Charitable activities	6	112,395	56,166	-	56,166
Other	10	-	1,110	-	1,110
Total expenditure		119,899	59,226	-	59,226
Net income for the year/ Net movement in funds		7,489	53,370	38,826	92,196
Fund balances at 1 April 2021		389,690	297,494	-	297,494
Fund balances at 31 March 2022		397,179	350,864	38,826	389,690

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 10 to 17 form part of these financial statements.

**LOST CHORD UK
FORMERLY LOST CHORD
BALANCE SHEET
AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		606		1,224
Current assets					
Debtors	12	77,150		1,510	
Cash at bank and in hand		326,632		404,720	
		<u>403,782</u>		<u>406,230</u>	
Creditors: amounts falling due within one year	13	<u>(7,209)</u>		<u>(17,764)</u>	
Net current assets			396,573		388,466
Total assets less current liabilities			<u>397,179</u>		<u>389,690</u>
Income funds					
Restricted funds			-		38,826
Unrestricted funds			397,179		350,864
			<u>397,179</u>		<u>389,690</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22 December 2022

Mr B W Frith
Trustee

Company registration number 04793062

LOST CHORD UK FORMERLY LOST CHORD NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Lost Chord UK is a private company limited by guarantee incorporated in England and Wales. The registered office is The Wesley Centre, Blyth Road, Maltby, Rotherham, S66 8JD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**LOST CHORD UK
FORMERLY LOST CHORD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% straight line method
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**LOST CHORD UK
FORMERLY LOST CHORD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Donations and gifts	36,149	101,351	-	101,351
Legacies receivable	75,000	-	-	-
Grants	4,980	10,000	38,826	48,826
	<u>116,129</u>	<u>111,351</u>	<u>38,826</u>	<u>150,177</u>
Grants receivable for core activities				
May & Stanley Smith Charitable Trust	-	-	21,349	21,349
Newby Trust	-	-	7,500	7,500
National Lottery	4,500	-	9,977	9,977
Government Grants	-	10,000	-	10,000
Maltby and Hellaby Parish Councils	480	-	-	-
	<u>4,980</u>	<u>10,000</u>	<u>38,826</u>	<u>48,826</u>

LOST CHORD UK
FORMERLY LOST CHORD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

3 Charitable activities

	2022	2021
	£	£
Interactive musical concerts	11,130	935
	<u> </u>	<u> </u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	129	310
	<u> </u>	<u> </u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Advertising	7,504	1,950
	<u> </u>	<u> </u>
	<u>7,504</u>	<u>1,950</u>

LOST CHORD UK
FORMERLY LOST CHORD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	2022	2021
	£	£
Staff costs	53,631	29,227
Depreciation and impairment	618	584
Interactive musical concerts	27,610	4,291
Rent and rates	6,227	6,227
Insurance	1,339	1,265
Legal and professional	1,515	-
Telephone	565	8,567
Travel	5,072	-
Printing and stationery	715	-
Hire of equipment	5,578	-
Computer running costs	2,166	-
Bank charges	1,444	-
Sundry expenses	971	260
	<u>107,451</u>	<u>50,421</u>
Share of governance costs (see note 7)	4,944	5,745
	<u>112,395</u>	<u>56,166</u>

7 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Audit fees	-	3,920	3,920	3,495
Legal and professional	-	1,024	1,024	2,250
	<u>-</u>	<u>4,944</u>	<u>4,944</u>	<u>5,745</u>
Analysed between				
Charitable activities	<u>-</u>	<u>4,944</u>	<u>4,944</u>	<u>5,745</u>

8 Trustees

Two of the trustees received a total of £675 during the year for non-trustee related services.

LOST CHORD UK
FORMERLY LOST CHORD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

9 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Chief executive	1	1
Musical director	1	1
Total	2	2

Employment costs

	2022	2021
	£	£
Wages and salaries	52,369	25,529
Other pension costs	1,262	3,698
	53,631	29,227

There were no employees whose annual remuneration was more than £60,000.

10 Other

	Total	Unrestricted funds
	£	
	2022	2021
Other expenditure	-	1,110
	-	1,110

LOST CHORD UK
FORMERLY LOST CHORD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

11 Tangible fixed assets

	Computers £
Cost	
At 1 April 2021	4,384
At 31 March 2022	4,384
Depreciation and impairment	
At 1 April 2021	3,160
Depreciation charged in the year	618
At 31 March 2022	3,778
Carrying amount	
At 31 March 2022	606
At 31 March 2021	1,224

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,410	1,081
Other debtors	75,114	-
Prepayments and accrued income	626	429
	77,150	1,510

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		-	216
Deferred income	14	-	10,000
Trade creditors		1,277	4,566
Other creditors		256	-
Accruals and deferred income		5,676	2,982
		7,209	17,764

14 Deferred income

	2022 £	2021 £
Other deferred income	-	10,000

**LOST CHORD UK
FORMERLY LOST CHORD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

14 Deferred income

(Continued)

Deferred income is included in the financial statements as follows:

	2022	2021
	£	£
Deferred income is included within:		
Current liabilities	-	10,000
	<u> </u>	<u> </u>
Movements in the year:		
Deferred income at 1 April 2021	10,000	-
Released from previous periods	(10,000)	-
Resources deferred in the year	-	10,000
	<u> </u>	<u> </u>
Deferred income at 31 March 2022	-	10,000
	<u> </u>	<u> </u>

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:				
Tangible assets	606	1,224	-	1,224
Current assets/(liabilities)	396,573	388,466	-	388,466
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	397,179	389,690	-	389,690
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

LOST CHORD UK

England & Wales - Charity number 1099385

Accounts

REGISTERED COMPANY NUMBER: 04793062 (England and Wales)
REGISTERED CHARITY NUMBER: 1099385

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
LOST CHORD**

LOST CHORD

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FOR THE YEAR ENDED 31 MARCH 2021**

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LOST CHORD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objective of the charitable company is to improve the well being and self esteem of persons suffering from Alzheimer's and Dementia by the organisation and playing of interactive musical concerts.

The trustees confirm that they have complied with the duty under Section 4 of the Charities Act 2006 by referring to the charity commission's general guidance on public benefit when reviewing the aim and objectives of the charity and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

2020/21 was a year like no other for Lost Chord with Corona Virus impacting on our ability to perform in person at residential homes or to engage in fund raising events.

Donations and grant applications reduced from £161,436 to £150,177. Donations and legacies increased significantly to £101,351 as a result of much generosity from patrons and supporters and this has negated much of the reduction in grants available from £115,965 down to £48,826 during this period. As a result of the pandemic fundraising events ceased and hence there has been no income generation from this source neither has there been the associated expenditures. Lost Chord emerges from the year in a strong financial position to be able to return to provide support where it is needed most.

It has been a very difficult year not only for Lost Chord but for the country and indeed the whole world. We have lived through unprecedented times with this pandemic which has seen all residential homes going into total lockdown and has meant that Lost Chord has had to cease its normal activity since the beginning of 2020. However in an attempt to keep this vital service going the decision was taken to contact all musicians who normally work for Lost Chord visiting residential homes on a regular monthly basis, in order to encourage them to produce regular videos of their performance so that we could upload them onto Youtube where all residential homes could have free access for their residents.

This has proved extremely successful and meant that we could maintain communication with the homes and their residents throughout the whole of the pandemic in an attempt to raise their spirits and in some small way improve their quality of life. What this has also meant is that we were able to pay the musicians for their services thereby maintaining a small portion of their income level.

It has not been easy for anyone during lockdown but we recognise that those residents in care homes surely have suffered the most.

Unfortunately Lost Chord administration and accounts staff left during our inactive period so we are now beginning to recover on a skeleton staff but are determined to rise from the ashes and grow Lost Chord into an even stronger charity in the future. Before lockdown in 2020 we were performing 180 sessions a month which was reduced to nil over the past year, however the scheme is gradually beginning to recover and even though we are at the moment only performing 25 sessions a month, more and more homes are gradually coming back onto the scheme.

All our musicians who are now performing in residential homes again are double vaccinated and taking daily lateral flow tests along with other precautions outlined in our Covid Protocol in line with Government guidelines for Care Homes.

Accounts are being maintained each month by our accountants until such time as a new accounts clerk can be appointed. Therefore Lost Chord will go on because there is an even greater need for its services now that the country is gradually beginning to recover from the pandemic.

LOST CHORD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Financial position

The accounts for the year to 31 March 2021 show a surplus of £92,196 (2020 £55,648), which leaves reserves in a strong position to support the work of the charity into 2021/22 and beyond.

Investment policy and objectives

Surplus funds are invested on a basis that is considered to be risk free.

Reserves policy

The Charity Commission for England and Wales requires charities to have a policy on the level of reserves held by the charity. This is to ensure that charities spend money on the purposes for which the charity was set up rather than simply accumulating cash. The policy of Lost Chord is to ensure that should funding materially deteriorate, for whatever reason, then it would have time to consider alternative funding options and, in the worst scenario, be able to manage the closure of its operations and obligations in an orderly fashion, both of which combined would take in the order of six months. Such obligations would include staging concerts already committed to, terminating its contractual commitments and the payment of salaries. Lost Chord therefore aims to maintain reserves of at least six months but no more than nine months of annualised operating expenditure.

Funding is applied for on a three year basis which could mean that funds received in year one may not be used until year three so that the charity can periodically accumulate significant funds. However, the grants that are received in advance are treated as deferred income to be utilised for the payment of future expenses.

FUTURE PLANS

The charity plans continuing the activities outlined above for the forthcoming years, subject to satisfactory funding and donations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is a company limited by guarantee and was incorporated on 10 June 2003. The Memorandum of Association established the objects and powers of the charity and it is governed under its Articles of Association. The Charity was registered as a charity on 11 September 2003. Prior to 10 June 2003 Lost Chord was a project run under the auspices of Voluntary Action Rotherham and has been delivering services since 1999.

The trustees, who are also directors and members of the charity, are recruited by networking and are selected following a skills need analysis by the trustees. Any appointment of a trustee is made by a resolution of the board of trustees and is formally minuted. An induction and training programme is offered to any new trustee.

The trustees retain overall responsibility for the charity's strategies and policies and delegate the operational management to the chief executive. The trustees continue to review corporate governance including contracts, employment policies and management practices to ensure continued compliance.

The charity works independently though seeks to fulfil its objects by working collaboratively with other organisations such as the Alzheimer's Society performing concerts in their day centres across the region. Lost Chord is a member of the National Dementia Action Alliance working alongside member groups such as Age UK; Alzheimer's Society; Dementia UK; Department of Health; Royal College of GP's, Nursing, Physicians and Psychiatrists and the NHS Alliance. Lost Chord works closely with the National Opera Studio in London and its director to audition and appoint musicians onto the scheme as well as with the Royal Welsh College of Music and Drama. Our close association with the Birmingham Conservatoire gives students studying music the opportunity to experience music in a health and social environment.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

As a matter of best practice, the directors are conscious of the need to consider risk management. The charity has initiated standard accounting systems to mitigate financial risk, whilst holding regular meetings involving strategic planning and review to mitigate risk generally.

LOST CHORD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04793062 (England and Wales)

Registered Charity number

1099385

Registered office

The Wesley Centre
Blyth Road
Maltby
Rotherham
South Yorkshire
S66 8JD

Trustees

B W Frith
C J MacCormac MBE Chairman
E Skelton
E F Lye (resigned 18/8/2021)
M Venables
J Revill

Founder and Chief Executive

H Muller

Company Secretary

E Skelton

Independent Examiner

Stuart Martin Reed FCCA
Reed Smith Associates Limited
Copia House
Great Cliffe Court
Great Cliffe Road
Barnsley
South Yorkshire
S75 3SP

Bankers

National Westminster Bank plc
13 Laughton Road
Dinnington
Sheffield
South Yorkshire
S25 2HA

LOST CHORD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 7 October 2021 and signed on its behalf by:

E Skelton - Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LOST CHORD

Independent examiner's report to the trustees of Lost Chord ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Stuart Martin Reed FCCA
Reed Smith Associates Limited
Copia House
Great Cliffe Court
Great Cliffe Road
Barnsley
South Yorkshire
S75 3SP

7 October 2021

LOST CHORD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds £	Restricted fund £	31.3.21 Total funds £	31.3.20 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	111,351	38,826	150,177	161,436
Charitable activities					
Interactive musical concerts		935	-	935	82,235
Other trading activities	3	-	-	-	65,219
Investment income	4	310	-	310	1,023
Total		112,596	38,826	151,422	309,913
EXPENDITURE ON					
Raising funds		-	-	-	22,402
Charitable activities					
Interactive musical concerts		20,400	38,826	59,226	231,863
Total		20,400	38,826	59,226	254,265
NET INCOME		92,196	-	92,196	55,648
RECONCILIATION OF FUNDS					
Total funds brought forward		297,494	-	297,494	241,846
TOTAL FUNDS CARRIED FORWARD		389,690	-	389,690	297,494

The notes form part of these financial statements

LOST CHORD

STATEMENT OF FINANCIAL POSITION 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted fund £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	9	1,224	-	1,224	1,580
CURRENT ASSETS					
Debtors	10	1,510	-	1,510	10,762
Cash at bank		394,720	10,000	404,720	326,923
		<u>396,230</u>	<u>10,000</u>	<u>406,230</u>	<u>337,685</u>
CREDITORS					
Amounts falling due within one year	11	(7,764)	-	(7,764)	(24,271)
NET CURRENT ASSETS		<u>388,466</u>	<u>10,000</u>	<u>398,466</u>	<u>313,414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		389,690	10,000	399,690	314,994
ACCRUALS AND DEFERRED INCOME	12	-	(10,000)	(10,000)	(17,500)
NET ASSETS		<u>389,690</u>	<u>-</u>	<u>389,690</u>	<u>297,494</u>
FUNDS	13				
Unrestricted funds				389,690	297,494
TOTAL FUNDS				<u>389,690</u>	<u>297,494</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

LOST CHORD

STATEMENT OF FINANCIAL POSITION - continued 31 MARCH 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 7 October 2021 and were signed on its behalf by:

C J MacCormac MBE - Trustee

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs relate to the principal charitable activity of promoting the benefits of persons suffering from Alzheimer's and Dementia by the organisation and playing of interactive musical concerts.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - 33% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The company provides for a personal pension scheme on behalf of an employee and also enrolled the other employees into a contributory scheme as from 1 January 2016. Pension costs charged in the financial statements are £3,698 (2020 £3,693), representing the contributions payable by the charity during the year ended 31 March 2021.

LOST CHORD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations and legacies	101,351	45,471
Grants	38,826	115,965
Government grants	10,000	-
	<u>150,177</u>	<u>161,436</u>

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Garfield Weston Trust Fund	-	45,850
May & Stanley Smith Charitable Trust	21,349	39,615
Alex & William de Winton Trust	-	10,000
Marjorie Coote Fund	-	5,000
The Thomas J Horne Memorial Trust	-	6,000
Newby Trust	7,500	2,500
Sisters of Poor Child	-	3,000
M and G Registered Charity	-	4,000
National Lottery	9,977	-
	<u>38,826</u>	<u>115,965</u>

3. OTHER TRADING ACTIVITIES

	31.3.21	31.3.20
	£	£
Fundraising events	-	65,219
	<u>-</u>	<u>65,219</u>

4. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Interest received	310	1,023
	<u>310</u>	<u>1,023</u>

5. NET INCOME/(EXPENDITURE)

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

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	584	45
	<u>584</u>	<u>45</u>

LOST CHORD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Chief executive	1	1
Administration and support	1	2
	<u>2</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	45,471	115,965	161,436
Charitable activities			
Interactive musical concerts	82,235	-	82,235
Other trading activities	65,219	-	65,219
Investment income	1,023	-	1,023
Total	<u>193,948</u>	<u>115,965</u>	<u>309,913</u>
EXPENDITURE ON			
Raising funds	22,402	-	22,402
Charitable activities			
Interactive musical concerts	115,898	115,965	231,863
Total	<u>138,300</u>	<u>115,965</u>	<u>254,265</u>
NET INCOME	<u>55,648</u>	<u>-</u>	<u>55,648</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	241,846	-	241,846

LOST CHORD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>297,494</u>	<u>-</u>	<u>297,494</u>

9. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
At 1 April 2020	4,156
Additions	<u>228</u>
At 31 March 2021	<u>4,384</u>
DEPRECIATION	
At 1 April 2020	2,576
Charge for year	<u>584</u>
At 31 March 2021	<u>3,160</u>
NET BOOK VALUE	
At 31 March 2021	<u>1,224</u>
At 31 March 2020	<u>1,580</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Charitable activities debtors	1,081	9,494
Prepayments and other debtors	<u>429</u>	<u>1,268</u>
	<u>1,510</u>	<u>10,762</u>

LOST CHORD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Charitable activities creditors	4,566	929
Other taxation and social security	216	-
Accruals and deferred income	2,982	23,342
	<u>7,764</u>	<u>24,271</u>

12. ACCRUALS AND DEFERRED INCOME

	31.3.21	31.3.20
	£	£
Deferred grant income	10,000	17,500
	<u>10,000</u>	<u>17,500</u>

13. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
Unrestricted Funds	297,494	92,196	389,690
	<u>297,494</u>	<u>92,196</u>	<u>389,690</u>
TOTAL FUNDS	<u>297,494</u>	<u>92,196</u>	<u>389,690</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
Unrestricted Funds	112,596	(20,400)	92,196
Restricted funds			
Restricted Funds	38,826	(38,826)	-
	<u>151,422</u>	<u>(59,226)</u>	<u>92,196</u>
TOTAL FUNDS	<u>151,422</u>	<u>(59,226)</u>	<u>92,196</u>

Comparatives for movement in funds

	At 1.4.19	Net movement in funds	At 31.3.20
	£	£	£
Unrestricted funds			
Unrestricted Funds	241,846	55,648	297,494
	<u>241,846</u>	<u>55,648</u>	<u>297,494</u>
TOTAL FUNDS	<u>241,846</u>	<u>55,648</u>	<u>297,494</u>

LOST CHORD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted Funds	193,948	(138,300)	55,648
Restricted funds			
Restricted Funds	115,965	(115,965)	-
TOTAL FUNDS	<u>309,913</u>	<u>(254,265)</u>	<u>55,648</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
Unrestricted Funds	241,846	147,844	389,690
TOTAL FUNDS	<u>241,846</u>	<u>147,844</u>	<u>389,690</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted Funds	306,544	(158,700)	147,844
Restricted funds			
Restricted Funds	154,791	(154,791)	-
TOTAL FUNDS	<u>461,335</u>	<u>(313,491)</u>	<u>147,844</u>

NOTES TO THE FINANCIAL STATEMENTS - *continued*
FOR THE YEAR ENDED 31 MARCH 2021

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

LOST CHORD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and legacies	101,351	45,471
Grants	38,826	115,965
Government grants	10,000	-
	150,177	161,436
Other trading activities		
Fundraising events	-	65,219
Investment income		
Interest received	310	1,023
Charitable activities		
Contributions to concerts	935	82,235
	151,422	309,913
Total incoming resources		
EXPENDITURE		
Raising donations and legacies		
Fundraising events expenses	-	22,402
Charitable activities		
Wages and salaries	25,529	31,317
Pension costs	3,698	3,693
Cost of concerts	4,291	169,989
Telephone, postage, stationery and advertising	8,567	8,372
Travelling expenses	-	2,478
Bad debts written off	908	-
Depreciation office equipment	584	45
	43,577	215,894
Support costs		
Management		
Office rent and services	6,227	6,227
Trustees professional indemnity insurance	721	672
Miscellaneous expenses	2,510	3,627
Training costs	202	-
PR and consultancy fees	1,950	1,950
	11,610	12,476
Finance		
Bank charges	544	1,128

This page does not form part of the statutory financial statements

LOST CHORD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	31.3.21 £	31.3.20 £
Finance		
Governance costs		
Accountancy and legal fees	3,495	2,365
Total resources expended	59,226	254,265
Net income	92,196	55,648

This page does not form part of the statutory financial statements