

**LOST CHORD UK**  
**(A company limited by guarantee)**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

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**LOST CHORD UK**  
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**CONTENTS**

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	Page
<b>Reference and administrative details of the charity, its Trustees and advisers</b>	<b>1</b>
<b>Trustees' report</b>	<b>2 - 15</b>
<b>Independent examiner's report</b>	<b>16 - 17</b>
<b>Statement of financial activities</b>	<b>18</b>
<b>Balance sheet</b>	<b>19 - 20</b>
<b>Notes to the financial statements</b>	<b>21 - 34</b>

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

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**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*

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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**

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**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*

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**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*

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**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*

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**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*

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**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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## LOST CHORD UK

(A company limited by guarantee)

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

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#### 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*

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**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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**LOST CHORD UK**

**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE YEAR ENDED 31 MARCH 2025*

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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**

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**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.

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

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**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.

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## LOST CHORD UK

(A company limited by guarantee)

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### TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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- 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*

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**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.



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**LOST CHORD UK**

**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE YEAR ENDED 31 MARCH 2025*

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**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

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**LOST CHORD UK**  
**(A company limited by guarantee)**

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

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**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)].

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**LOST CHORD UK**  
**(A company limited by guarantee)**

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

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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				
<b>Income from:</b>					
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
<b>Total income</b>		<b>93,938</b>	<b>10,051</b>	<b>103,989</b>	<b>141,706</b>
<b>Expenditure on:</b>					
Raising funds	7	14,368	-	14,368	20,783
Charitable activities	8	188,079	4,064	192,143	256,148
<b>Total expenditure</b>		<b>202,447</b>	<b>4,064</b>	<b>206,511</b>	<b>276,931</b>
<b>Net movement in funds</b>		<b>(108,509)</b>	<b>5,987</b>	<b>(102,522)</b>	<b>(135,225)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		226,938	-	226,938	362,163
Net movement in funds		(108,509)	5,987	(102,522)	(135,225)
<b>Total funds carried forward</b>	17	<b>118,429</b>	<b>5,987</b>	<b>124,416</b>	<b>226,938</b>

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.

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

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**BALANCE SHEET***AS AT 31 MARCH 2025*

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

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**LOST CHORD UK**

**(A company limited by guarantee)**

REGISTERED NUMBER: 04793062

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**BALANCE SHEET (CONTINUED)**

*AS AT 31 MARCH 2025*

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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.

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**LOST CHORD UK**  
**(A company limited by guarantee)**

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

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**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**

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**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**

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**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**

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**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**

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**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**  
**(A company limited by guarantee)**

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

**6. Investment income**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Interest receivable	3,219	<b>3,219</b>	3,615
Total 2024	3,615	<b>3,615</b>	

**7. Expenditure on raising funds**

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

**LOST CHORD UK**  
**(A company limited by guarantee)**

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

**8. Analysis of expenditure on charitable activities**

***Summary by fund type***

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

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

**Analysis of direct costs**

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

**LOST CHORD UK**  
**(A company limited by guarantee)**

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

**Analysis of expenditure by activities (continued)**

**Analysis of support costs**

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

**9. Governance costs**

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

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

**10. Independent examiner's remuneration**

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

**11. Staff costs**

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

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

<b>2025</b>	2024
<b>No.</b>	<b>No.</b>
<b>2</b>	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 £
<b>Cost</b>	
At 1 April 2024	4,384
At 31 March 2025	4,384
<b>Depreciation</b>	
At 1 April 2024	4,384
At 31 March 2025	4,384
<b>Net book value</b>	
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**

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

**17. Statement of funds**

**Statement of funds - current year**

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

**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 £
<b><i>Unrestricted funds</i></b>				
General funds	362,163	129,336	(264,561)	226,938
<b><i>Restricted funds</i></b>				
Rotherham MBC	-	4,390	(4,390)	-
Jewish Music Institute	-	3,000	(3,000)	-
Other restricted funds	-	4,980	(4,980)	-
	-	12,370	(12,370)	-
<b><i>Total of funds</i></b>	<b>362,163</b>	<b>141,706</b>	<b>(276,931)</b>	<b>226,938</b>

**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)
<b>Total</b>	<b>118,429</b>	<b>5,987</b>	<b>124,416</b>

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)
<b>Total</b>	<b>226,938</b>	<b>226,938</b>

19. Related party transactions

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