

**LIFELITES**  
**TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**Charity Number: 1165791**

# LIFELITES

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# LIFELITES

## TRUSTEES ANNUAL REPORT

### Report and Accounts of the Trustees of Lifelites for the year ended 31 March 2023

In accordance with statutory requirements and the Statement of Recommended Practice (2019), "Accounting and Reporting by Charities" (FRS102), the Trustees of Lifelites submit their report for the year ended 31 March 2023.

These financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 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 published on 16 July 2014.

#### 1. Administrative information

##### **Name and registered office of the Charity**

The name of the Charity is Lifelites and registered charity number is 1165791.

The registered office is 60 Great Queen Street, London WC2B 5AZ.

##### **Constitution**

Charitable status was granted by the Charity Commission on 2 August 2006. The Charity became a CIO on 29 February 2016 with a change of charity number from 1115655 to 1165791.

##### **Lifelites Trustees**

NK Feldman (*Appointed 16 March 2023*)

ADG Harvey, FLPI, FloL, FCMI, FCIPD, FRSA

Chair of the Board of Trustees from  
10 August 2023

CP Noon, MPhil, MA (Oxon.), MBA, FRSA (*Appointed 15  
February 2023*)

L Shattock (*Appointed 18 May 2022*)

NS Springer

Treasurer

KV Stewart FBCS CIPD (*Appointed 15 February 2023*)

D Strudley CBE, FRSA (*Resigned 22 June 2023*)

HG Wilson

PD Withams, FCIBS, FCMI (*Retired 28 February 2023*)

M Woodcock, JP, DLitt, ClntMC

Chair of the Board of Trustees until 10  
August 2023

SD Woolf, BA (Hons), FCCA (*Retired 28 February 2023*)

S Umrada

##### **Lifelites executive**

RW Lightfoot, BA (Hons)

Chief Executive

##### **Relevant addresses**

**Auditor: Kreston Reeves LLP**

9 Donnington Park, 85 Birdham Road, Chichester, West Sussex PO20 7AJ

**Bankers: National Westminster Bank Plc**

Bloomsbury Parr's Branch, 214 High Holborn, London WC1V 7BX

**Solicitors: Stone King LLP**

16 St John's Lane, London EC1M 4BS

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## 2. Structure, governance and management

**Governing document** – The trust deed sets out the objectives of Lifelites, the powers of the Trustees, the manner of appointment, resignation and removal of Trustees, and the procedures and controls which govern the administration of the Charity.

**Trustees** – Trustees are appointed for a period of three years. The number of Trustees cannot be less than five or more than 13. Up to one third of the total number of Trustees are nominated by the Masonic Charitable Foundation (MCF). Each appointed trustee shall serve an initial term of three years, and shall be eligible to serve up to 3 consecutive terms, after which the appointed trustee must resign, and cannot be reappointed for a period of 12 months.

**Induction and training of new Trustees** – It is the policy of Lifelites to provide appropriate induction and training for new Trustees. Every trustee is encouraged to contribute effectively to the governance and fundraising of the Charity.

**Committees** – The Trustees have the power to delegate functions to committees, provided that any such committee comprises two or more persons and that at least two of the members are Trustees. Non-Trustees may be co-opted to these committees. The Trustees have appointed a **Charitable Projects Committee** to support the Charity's service delivery and act as technical advisers to provide policy recommendations to the Trustees and a **Fundraising and Communications Committee** to assist with fundraising strategy and communications planning.

**Risk management** – The Trustees have implemented a new comprehensive risk register to review the governance, operational, financial, regulatory, legal and strategic risks affecting Lifelites. The risk management process involves; risk identification; impact analysis; existing controls; residual risk analysis; and additional mitigation actions. High and emerging risk items are reviewed at each Trustees meeting, with a bi-annual review of all risks. The Trustees use this risk management process to structure work streams and target activity to reduce risks.

Listed below are risks identified with high residual risks after existing controls and agreed mitigations.

<b>Risk Details</b>	<b>Impact</b>	<b>Existing Controls</b>	<b>Mitigation</b>
<b>Lifelites lacking strategic direction / no written strategic plan</b>	Mission drift Reputational damage Conflict between strategy / operations Loss of funding	Refreshed Vision, Mission & Values  Strategy in place 2023-28  Simple & high impact charitable objectives  Well defined operational action plan in place, reviewed quarterly and aligned to staff PDRs	Working groups (Committees) to support and monitor action plan to deliver strategic priorities
<b>Loss of key personnel / poor succession planning</b>	Strategic & operational disruption Short-term increase in expenditure Staff cover / burnout Failure to deliver objectives	Appropriate notice periods for senior staff  Supervision & Performance Development Reviews	Board/SLT skills audit  Refresh Trustee Recruitment Policy  Establish succession plan for leadership

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	Low morale Loss of clear leadership	Shared responsibilities at Board Level & Terms of Reference for Committees	roles (Chair & Treasurer)
<b>Sole trader - See IT Work - gives notice or unavailable for protracted period</b>	Failure to deliver services Reputational damage Service quality reduced Loss of income	3-year contract covers eventualities and responsibilities for cover  Maintained close contact and good relationship  Lifelites 'owns' hospice relationships  Service contract specification in place if replacement required	Establish contract review process  Negotiate new contract from 2024
<b>Donor / Hospice database breakdown / unsuitable database for strategic development</b>	Service disruption Funding relationships damaged Data protection breach Loss of data High expenditure to resolve	Migration to new donor database in process	Data migration  Develop automated stakeholder engagement plans in-built to new CRM  Consider database needs for service partners
<b>Loss of income due to competition, lack of public awareness etc.</b>	Loss of income Failure to deliver strategic objectives Loss of relevance	Emotive & unique cause  Case studies articulate impact  Good relationships with existing supporters  Rebranding & digital campaign	Develop marketing & communications plan  25 <sup>th</sup> Anniversary campaign plans  Develop celebrity & ambassador programme
<b>Income dependency on Freemasonry &amp; major partners</b>	Longer-term sustainability Service impact Depleting reserves	Monthly income projections  High prioritisation on stewardship  Digital fundraising development	Targeted approach to Freemasonry & other major partners  Corporate fundraising strategy developing  Large trust applications in progress  Donor recognition

**Fundraising Standards** – Lifelites operates its direct fundraising activities in accordance with the Chartered Institute of Fundraising Codes of Fundraising Practice, as follows:

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- During the financial year pertaining to this report, no public fundraising activities were undertaken directly by Lifelites or its staff, including public collections, street face to face fundraising or telephone fundraising.
- During the financial year pertaining to this report, neither the Charity nor any person acting on behalf of the Charity was subject to an undertaking to be bound by any voluntary scheme for regulating fundraising.
- No complaints were received by the Charity or any person acting on its behalf about the activities by the Charity or by a person on behalf of the Charity for the purposes of fundraising. In order to ensure that vulnerable people and other members of the public are protected from: a) unreasonable intrusion on a person's privacy, b) unreasonable or persistent approaches for the purposes of soliciting or otherwise procuring money or other property on behalf of the Charity, c) placing undue pressure on a person to give money or other property all Lifelites staff have been trained on the latest data protection procedures which were implemented on 25 May 2018.

### 3. Public benefit

The Trustees of Lifelites have had due regard to guidance published by the Charity Commission on public benefit. The purpose of Lifelites is to provide assistive technology and related services for children and young people cared for in children's hospices and similar environments in the British Isles with the primary intention of enhancing their lives. As such, the Trustees are satisfied that the requirements of the public benefit test are being met.

### 4. Objectives and activities

Lifelites is an innovative charity specialising in the provision of assistive technology and high-quality training across children's palliative care to empower children and young people with life-limiting conditions, along with their families, to experience unforgettable moments of connection and joy.

To achieve this Lifelites provides and maintains packages of special recreational and educational technologies for children and young people cared for by hospice services and other similar environments, with a particular focus on equipment for those with disabilities and life-limiting conditions.

Lifelites consults regularly with partners across children's palliative care to understand the complex and evolving needs of the sector and children and families using services. To meet the needs of our partners and beneficiaries Lifelites regularly explores advances in technology, pilots new equipment and services to ensure that the Charity can provide the latest, high impact technologies to enhance children and young people's quality of life.

#### **Vision**

We believe every child with a life-limiting condition, should be able to engage and interact with the people they love and enjoy the world they live in.

#### **Mission**

We harness innovative technology to empower all children and young people with life-limiting conditions, along with their families, to experience unforgettable moments of connection and joy.

#### **Values**

**Dynamic** - We constantly evolve to respond to the changing needs of our children, families and partners, adapting our approach and using our expertise to maximise our impact.

**Inclusive** - We look beyond the traditional, obvious and familiar to remove barriers that prevent children and families from connecting, playing and expressing themselves. We partner with and recruit people based on their merits and alignment to our goals.

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**Collaborative** - We bring together and collaborate with diverse people and organisations that share a common passion for our vision, believing that combining resources improves outcomes for all.

**Empowering** - We believe everyone has an innate desire to play, create and communicate. Our services empower children, their families, our partners and our team to discover and reach their full potential.

**Innovative** - We constantly seek new ways to achieve our vision, serve children in need and their families, develop our team and build our relationships with our partners.

### 5. Lifelites' partners

Lifelites was established in 1999 as the Millennium Project for the Royal Masonic Trust for Girls and Boys (RMTGB). Today Lifelites continues to value and enjoy excellent relationships with Freemasonry and benefits from generous support from the Masonic Charitable Foundation (MCF), which donates HR and finance support and office accommodation. Lifelites also has a proud relationship with the United Grand Lodge of England, Metropolitan Grand Lodge of London, Provinces, Lodges and many individual Freemasons across the country. MCF also nominates up to one third of Lifelites' Trustees, which helps maintain positive partnerships with Freemasonry.

In addition, Lifelites has a long-standing strategic partnership with the Worshipful Company of Information Technologists, who were one of the architects of the Lifelites project and continue to provide both funding and technical advice.

In addition to these strong historic partnerships, Lifelites is grateful for the support of numerous trusts, foundations, companies and individual supporters who make our important work in Children's Palliative Care possible. We have a growing supporter base with other individuals and organisations across a variety of sectors.

### 6. Role and contribution of volunteers

**Fundraising and administration** – volunteers (individuals and groups) and Trustees play major roles in fundraising, administration and other essential support. Volunteers actively support fundraising activities and serve on the Fundraising and Communications Committee, which supports staff to set Lifelites' fundraising strategy and communications plan.

**Technical advice and support** – The Worshipful Company of Information Technologists (WCIT) was one of the architects of the Lifelites project and continues to advise Lifelites on service developments along with funding, thus maintaining this strong partnership. The Charity benefits from other volunteers who serve on the Charitable Projects Committee, who provide specialist advice and support on new technology and enhance our understanding of the evolving world of children's palliative care.

### 7. Achievements and performance

**Projects for children and young people with life-limiting conditions** – During the period, Lifelites continued to adapt and deploy its services creatively to meet the complex and evolving needs of our partners and children and young people with life-limiting conditions.

- The Charity successfully installed packages of new technology in 13 children's hospices across the British Isles.
- In addition, Lifelites installed packages of new technology for 2 partners operating in the wider children's palliative care sector, including a charity supporting children with acquired brain injury and a new partner which supports families of children with complex conditions through respite and family activities.
- Lifelites also commenced work consulting with other potential partners across children's palliative care to understand the needs of children and families and identify new projects and services for the future.

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**Children's palliative care staff training** – During the period, Lifelites provided face-to-face initial training to coincide with the 15 new installations, upskilling 157 staff.

Lifelites has continued to deliver refresher training face-to-face and online, which has enabled the Charity to remain cost-effective without compromising on quality. This suite of training has proved highly effective, combining the more intensive, practical face-to-face training at the point of installation, in addition to an extended online offer, allowing new and existing hospice staff to refresh their knowledge and seek support with specific items of technology. During the period, Lifelites delivered refresher training for a further 118 staff.

Evaluation of training impact over the period demonstrates the quality of this service, with 98% of participants reporting improved skills and confidence in the use of technology with children with life-limiting conditions. Over the last three years, against a scale of 1-5, the confidence level of participants increased from an average of 2.4 to 4.5, indicating the strength and impact of this training.

**Lifelites Showcase** – Following the success of last year's Showcase, Lifelites produced a new video to highlight the extensive range of technology available to hospices and provide insight into how the technology can make a difference to the lives of the children cared for by palliative care services.

**Rebrand** – Our Strategic Review highlighted a fundamental disconnect between our unique service offer and a tired brand identity, not updated in many years.

Public perception about children's palliative care sector is often drawn towards tragic stories of medical care provided to terminally ill children as they approach the last days of their life. Whilst impossibly sad stories do exist, Lifelites' unique and innovative role needed to be captured by an identity which conveys the powerful impact of its services, with particular focus on the creation of cherished moments of connection and joy.

To express this new vision, Lifelites has been reimagined and repositioned. We asked our partners at Thinkology to work with us to realize a new brand that powerfully represents this dynamic, empowering and joyful identity. This rebrand has been recognized widely, including as a finalist in the 'Brand Development' category at the Third Sector Awards.

**Supporter engagement and celebrations** – In addition to regular e-news and stewardship, the Charity delivered traditional hospice celebration events 'in-person' and produced an engaging 'On the Road with Lifelites' digital communications feature to promote the installation of new technology packages.

The Trustees are grateful to all of our dedicated supporters, without whom we would not be able to provide life changing technology for children, young people and families across the British Isles.

**Diversifying income** – Like most charities, Lifelites has experienced a challenging environment to generate income for its services in during the period. However, Trustees took the opportunity to continue the development of its digital fundraising activity and build more targeted approaches to corporate and trust fundraising.

The digital activity produced a series of unique and emotive short films, featuring children, families and staff telling their stories and the impact of Lifelites' support. These compelling films were launched on Lifelites social media channels and resulted in an additional 8,000 visitors to our new website.

Our activities with new corporate partners and trusts and foundations is developing well, with a vastly increased pipeline and a more tailored approach to partnership working with our funders.



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## 8. Plans for the future

**Strategic Plan** – During the period, we completed our extensive Strategic Review, which led to the development of the Charity's first Strategic Plan, which will cover the period 2023-28 and is designed to transform Lifelites from a donor of assistive technology for children's hospices into a trusted, dynamic and influential provider of services for children with life-limiting conditions, their families and our partners in children's palliative care.

This plan was launched on 1 April and communicated to our partners through a series of correspondence and meetings. Feedback to date from all stakeholders has been highly positive and the Trustees are committed to delivering our priorities in collaboration over the coming years.

### Strategic Priorities

Lifelites has developed six Strategic Priorities collectively designed to achieve its Vision of enabling every child with a life-limiting condition to engage and interact with the people they love and enjoy the world they live in. These are split into direct mission focused priorities and 'enablers' which provide the foundations and resources to deliver our Strategic Plan.

### Delivering our Mission

#### Improving impact - service development

*We will improve existing and develop innovative new services.*

We will achieve this by:

- Improving engagement and monitoring to ensure that our partners optimise the use of assistive technology, helping Lifelites to understand the impact of our services and areas for improvement.
- Developing our high quality, multi-platform training to increase the skills and confidence of our children's palliative care partners.
- Influencing technology providers to develop new equipment and identifying the latest assistive technology solutions for use in children's palliative care.

#### Increasing reach - service expansion

*We will develop new services to extend our reach beyond children's hospice settings.*

We will achieve this by:

- Increasing the number of children's palliative care partners benefitting from packages of technology and training.
- Extending provision of Lifelites' specialist training and consultancy to other partners across children's palliative care.
- Introducing support and resources for parents to make our unique knowledge and expertise accessible to all children and young people with a life-limiting condition.

### Enabling our Mission

#### Income

*We will generate more and sustainable income from new and existing funders.*

We will achieve this by:

- Attracting multi-year funding streams through an improved partnership proposition for high value trust, corporate and philanthropic funders.
- Expanding our community and individual giving programmes through modern, emotive digital marketing campaigns.

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- Developing more efficient and meaningful donor recognition plans to increase supporter engagement and increase sustainable giving.

### **Brand**

*We will become well known and trusted by potential beneficiaries, partners and supporters.*

We will achieve this by:

- Implementing a modern, dynamic and compelling brand, visual identity and tone of voice to appeal to wider audiences, increase engagement and support.
- Identifying key audiences, channels and messages with a defined strategy and deliverable communications plan.
- Establishing Lifelites as a thought-leader in children's palliative care, technology and inclusion.

### **Governance**

*We will align our governance with the Charity Governance Code.*

We will achieve this by:

- Ensuring that all stakeholders understand, align to and champion Lifelites' organisational purpose and objectives.
- Measuring governance practices against the Charity Governance Code benchmarks and improving systems, policies and procedures, risk management and reporting mechanisms.
- Improving diversity and representation at all levels of governance to better reflect our stakeholders and beneficiaries.

### **People**

*We will develop a skilled, motivated and well-resourced team within an empowering culture.*

We will achieve this by:

- Benchmarking the current strengths, areas for development and engagement of Lifelites' people to identify areas for improvement.
- Implementing performance management processes to set objectives and activities aligned to Lifelites Strategic Plan.
- Establishing a confident, proactive and creative culture designed to increase productivity and improve outcomes.

### **Monitoring performance**

This Strategic Plan will be monitored and refreshed periodically throughout its life-cycle to ensure that Lifelites remains agile and responsive to the needs of our partners, children and young people with life-limiting conditions and their families.

### **Celebrating Lifelites at 25**

Lifelites Strategic Plan 2023-28 is specifically designed to centre on Lifelites 25<sup>th</sup> anniversary and it is intended to use this milestone as a catalyst to transform the organisation into a dynamic, influential provider of services across children's palliative care.

Plans are underway to celebrate the 25<sup>th</sup> anniversary year in 2025 and the Trustees look forward to providing further detail over the coming year.

## 9. Financial summary

During the 12 months to 31 March 2023, investments generated income of £106k (2021/22 £76k) and investment losses of £209k (2021/22 gains £346k). Donations and legacies amounted to £549k (2021/22 £978k). Donations made to Lifelites during this period included support for installations at specific sites, hospice staff training, project management and the specialist maintenance of all its projects.

The cost of all the projects including equipment, training and installation and maintenance work carried out by Lifelites during this 12 month period was £575k (2021/22 £593k).

As at 31 March 2023, Lifelites held funds to the value of £4,555k (31 Mar 2022 £4,888k).

Office facilities were provided by the RMTGB and financial and HR administrative support was given by the MCF, both at no cost to Lifelites.

**Staff Pay and Remuneration** – The pay of charity staff and key management personal is reviewed annually and any changes suggested are discussed and approved by the Trustees. As far as possible, salaries are set in line with current market trends in the sector. The Trustees have reviewed the approach to performance and remuneration and will introduce a new policy in 2023/24.

### Reserves Policy

When Lifelites was established as a separate charity in 2006, the RMTGB made a donation to Lifelites comprising the residue of the fund created when Lifelites was set up as their Millennium project. The purpose of these funds was act like an endowment to support the costs of generating sustainable sources of income and to further the charitable objects.

The Trustees have considered the purposes for which the Charity needs to hold reserves. They believe that the level of reserves should be sufficient to cover the risks to which the Charity is exposed, safeguard against the volatility of key income streams, to honour the Charity's long-term commitments to its partners and to maintain the strong culture of innovation, impact and continuous improvement.

Looking forward the Trustees are resolved to utilise the Charity's reserves more proactively, whilst staying true to the original gift upon which the Charity has relied over the years. The environment in which Lifelites operates is changing at pace. Over five years, our Strategy seeks to transform Lifelites into a trusted, dynamic and influential provider of services for children with life-limiting conditions, their families and our partners in children's palliative care, and not just those in hospices.

Lifelites has developed a 5-year financial plan which sets out a framework for delivering our Strategy. To realise the scale of Lifelites' ambitions, the Trustees recognise the need to invest in service development and expansion, diversify and grow our income and target our resources towards.

To achieve these objectives, in addition to the restricted reserves, the Trustees have structured the Charity's reserves into defined funds, as follows:

	<b>£,000</b>
<b>Total funds held at 31 March 2023</b>	<b>4,555</b>
Restricted funds	278
Endowment – The Ted Gostling Fund	193
<hr/>	
Designated funds - Hospice Support	2,383
Designated funds - Lifelites 25	1,000
<b>Total free reserves at 31 March 2023</b>	<b>701</b>

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**Restricted funds** – Lifelites generates income from supporters who wish to restrict funding to specific elements of Lifelites' work, be that geographical or service specific. Lifelites honours these restrictions and holds funding from a number of funders until such time as it can be utilised as per their wishes.

**Designated funds – Hospice Support** – Lifelites' Trustees have taken a responsible and prudent path to managing charitable donations, seeking to guarantee its moral commitment to install, maintain and replace each package of technology on a four-yearly basis. To achieve this commitment, the Trustees have designated funds to insure against potential future fundraising fluctuations and ensure the four-year commitment to each of Lifelites' projects can be met, including regular hospice staff training, a technical helpline and onsite maintenance as required.

**Designated funds – Lifelites 25** – Lifelites has created a designated reserve – Lifelites 25 – designed to act as a catalyst for our strategic ambitions spanning our 25th anniversary, demonstrate our appetite to invest a significant proportion of our reserves and attract larger partners to help maximise the impact of our combined resources. Over the next 5 years, Lifelites will invest £1m of its reserves to deliver our Mission, harnessing innovative technology to empower children and young people with life-limiting conditions, along with their families, to experience unforgettable moments of connection and joy.

**Unrestricted funds** – The Trustees have reviewed the required level of free reserves and determined that a minimum of 9 months is sufficient to cover the risks to which the charity is exposed. Lifelites reserve position has fluctuated due to external factors affecting the Charity's investments in recent years. To mitigate against the impact of further fluctuation, the Trustees include 5% of the total investment fund value, placing this in a low-risk cash reserve, to guard against losses, which could affect the Charity's short-term obligations. In addition, as the Charity seeks to increase the number of high value donors, it is exploring a range of diverse income sources, which may take some time to yield sustainable funding.

The Charity is aware that the need for its services are increasing, with children's hospices facing unprecedented demand from life-limited children with complex conditions. Whilst demand remains high and this new fundraising strategy is implemented, the Trustees believe it is prudent to hold these free reserves to maintain financial security and operational flexibility.

The Trustees will monitor reserve levels periodically and take remedial action where necessary to ensure levels comply with the policy.

### Investment Policy

Lifelites benefits from a CAIF – Charity Authorised Investment Fund professionally managed under the supervision of the MCF Investment Committee which is attended by the Treasurer. The MCF Investment Committee is advised by Asset Risk Consultants (ARC). This is a unit trust with a highly efficient tax wrapper in which the MCF and all its subsidiary charities own their shares in the form of units. Units will be sold as required in order to top up the Cash Reserve on a quarterly basis. The investment strategy is directed for "Steady Growth", which is a medium-high risk strategy. Risk is managed through diversification, with the funds split between four different fund managers operating on multi-asset mandates but utilising differing investment management styles. The overall fund manager is Thesis Unit Trust Management Limited and the custodian is Northern Trust. The Trustees regularly reviewed Lifelites' investments and fund manager performance throughout the year, and are satisfied that investment risks are being managed in such a manner as to protect the future of Lifelites charitable activities.

The income generated from Lifelites' investment portfolio is ring-fenced to the cost of generating income, which helps to maximise the impact of donations. To this end, the Charity is seeking to ensure that donated funds are utilised on its charitable activities.

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## 9. Trustees' responsibilities

The Trustees are responsible for preparing the report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to Trustees in England and Wales requires 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 income resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- observe the methods and principles in the Charities' SORP 2019 (FRS102);
- select suitable accounting standards and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

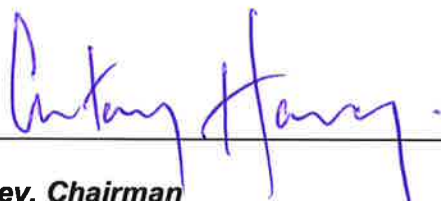
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that the financial statements of the Charity comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditors

So far as each trustee at the date of approval of this report is aware:

- i. there is no relevant audit information of which the Charity's auditors are unaware;
- ii. and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The report was approved and signed on behalf of the Trustees by:

Signed  16<sup>th</sup> October 2023  
**ADG Harvey, Chairman**

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## Independent Auditors' Report to the Trustees of Lifelites

### Opinion

We have audited the financial statements of Lifelites (the 'charity') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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, except to the extent otherwise explicitly stated in our report, 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

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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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements.

## LIFELITES

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investments. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including payroll expenditure; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation; and
- Corroboration of investment valuation with third party reports, and inspection of controls report on investment manager.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting



## LIFELITES

and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### 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 Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



### Kreston Reeves LLP

Chartered Accountants  
Statutory Auditor  
9 Donnington Park  
85 Birdham Road  
Chichester  
West Sussex  
PO20 7AJ

Date: 25 October 2023

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

# LIFELITES

## STATEMENT OF FINANCIAL ACTIVITY

YEAR ENDED 31 MARCH 2023

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	The Ted Gosling funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
<b>INCOME</b>						
Donations		403	145	0	548	978
Legacies		1	0	0	1	0
Investment income	2	101	0	5	106	76
<b>Total income</b>		<b>505</b>	<b>145</b>	<b>5</b>	<b>655</b>	<b>1,054</b>
<b>EXPENDITURE</b>						
Cost of generating funds	3	(183)	0	0	(183)	(131)
Investment management costs		(20)	0	(1)	(21)	(20)
		(203)	0	(1)	(204)	(151)
<b>Charitable activities</b>	4	<b>(368)</b>	<b>(155)</b>	<b>(52)</b>	<b>(575)</b>	<b>(593)</b>
<b>Total expenditure</b>		<b>(571)</b>	<b>(155)</b>	<b>(53)</b>	<b>(779)</b>	<b>(744)</b>
Net gains/(losses) on investments	7	(197)	0	(12)	(209)	346
<b>NET MOVEMENT IN FUNDS</b>		<b>(263)</b>	<b>(10)</b>	<b>(60)</b>	<b>(333)</b>	<b>656</b>
Total funds brought forward		4,347	288	253	4,888	4,232
<b>Total funds carried forward</b>		<b>4,084</b>	<b>278</b>	<b>193</b>	<b>4,555</b>	<b>4,888</b>

All income and expenditure derive from continuing activities and all gains/losses are included in the statement of financial activities

The notes on pages 21 to 32 form part of these financial statements.


The prior year figures are analysed by fund in note 12 on page 31

# LIFELITES

## BALANCE SHEET as at 31 March 2023

	Note	2023 £'000	2022 £'000
<b>FIXED ASSETS</b>			
Intangible asset	6.	35	8
Tangible asset	6.	23	0
Investments	7.	4,197	4,504
		<u>4,255</u>	<u>4,512</u>
<b>CURRENT ASSETS</b>			
Debtors	8.	136	76
Investments	7.	105	103
Cash at bank and in hand		127	236
		<u>368</u>	<u>415</u>
<b>CURRENT LIABILITIES</b>			
Creditors falling due within one year	9.	(68)	(39)
<b>NET CURRENT ASSETS</b>			
		<u>300</u>	<u>376</u>
<b>Total net assets</b>			
		<u>4,555</u>	<u>4,888</u>
<b>CHARITABLE FUNDS</b>			
<b>Restricted income funds</b>			
Restricted income funds	10,11	278	288
The Ted Gosling Fund	10,11	193	253
<b>Unrestricted funds</b>			
Designated reserves	10,11	2,383	2,464
Designated reserves 25 Anniversary	10,11	1,000	1,000
General reserves	10,11	701	883
<b>Total charitable funds</b>			
		<u>4,555</u>	<u>4,888</u>

The financial statements were approved and authorised for issue by the Trustee Board on 16<sup>th</sup> October 2023 and signed on their behalf by:

  
 ADG Harvey  
 Chairman

  
 NS Springer  
 Treasurer

The notes on pages 21 to 32 form part of these financial statements

# CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2023

2023 2022

£'000 £'000

## Operating Activities

**Net cash provided by/(used in) Operating Activities** A (345) 154

## Cash flows from investing activities

Dividends, interest and rents from investments 106 76

Purchase of intangible fixed assets (23) 0

Purchase of tangible fixed assets (27) (5)

Proceeds from the sale of investments 280 200

Purchase of investments (100) (400)

**Net cash provided by/(used in) Investing Activities** (236) (129)

**Change in cash and cash equivalents in the reporting period** (109) 25

Cash and cash equivalents at the beginning of the reporting period 236 211

**Cash and cash equivalents at the end of the reporting period** B 127 236

## Notes on the cash flow statement

### A Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net movement in funds as per the Statement of Financial Activities (333) 656

Adjustments for:

Dividends, interest and rents from investments (106) (76)

Movements in investments 125 (402)

(Increase)/decrease in debtors (60) (22)

Increase/(decrease) in creditors 29 (2)

**Net cash provided by/(used in) Operating Activities** (345) 154

### B Analysis of cash and cash equivalents

Cash held by investment managers 0 0

Cash at bank and in hand 127 236

**Total cash and cash equivalents** 127 236

# NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 31 MARCH 2023

### 1. ACCOUNTING POLICIES

#### (a) Statement of compliance

The financial statements of Lifelites (the "Charity") have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). Additionally, they comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" published in 2015 (the "SORP") in all material respects. The Charity meets the definition of a public benefit entity under FRS 102.

#### (b) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, on a basis consistent with previous years. The functional currency of the Charity is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Charity operates.

#### (c) Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due and have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of Trustees' responsibilities.

#### (d) Incoming resources

Revenue is recognised when the significant risks and rewards of ownership have been transferred, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Charity and when the specific criteria relating to each of the Charity's revenue channels have been met, as described below:

- i. Monetary donations are brought into account when received.
- ii. Legacies are recognised where there has been a grant of probate, the executors have identified that there are sufficient assets in the estate after settlement of liabilities to pay the legacy and any conditions attached to the legacy are either in control of the Charity or have been met. Legacies subject to the interest of a life tenant are not recognised during the lifetime of the life tenant.
- iii. Dividends are recognised from the ex-dividend date when they become receivable.

# LIFELITES

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2023

#### (e) Resources expended

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 settlement will be required and the amount of any obligation can be measured reliably. All resources expended are recognised on an accruals basis, with the exception of grants as noted below.

Expenditure on generating funds includes costs of fundraising and maintenance of donor records, together with the management of the investment portfolios. These costs include the allocation of support costs relating to these activities, as detailed in note 3.

Grants are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated in writing to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award. Support costs are allocated to these activities as laid out in note 4.

#### (f) Fund accounting

Unrestricted funds may be utilised for any purpose in accordance with the charitable objectives of the Charity. Restricted funds represent donations given to support the costs of donations of equipment, hospice staff training, project management, installation and maintenance of equipment for specific children's hospice services. Each Lifelites package is budgeted for on a four year basis in order to ensure maintenance of the equipment in good working order, provide regular training for hospice staff, and cover any regular subscription costs. The designated funds currently held are to cover this pledge and ensure the commitment over the four year cycle of each project can be met.

#### (g) Intangible fixed assets

Intangible fixed assets, consisting of Corporate Rebranding, held by Lifelites are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Intangible fixed assets are subject to review for impairment when there is an indication of a reduction in their carrying value. They are reviewed annually and any impairment is recognised in the year in which it occurs. Depreciation is calculated using the straight-line method to allocate the cost of each asset less its residual value over its useful life, estimated at 10 years. Assets in the course of construction are not depreciated until available for use.

# LIFELITES

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2023

#### (h) **Tangible fixed assets and depreciation**

Tangible fixed assets costing £5,000 or more 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, on the following bases.

Computers, equipment and furniture are depreciated using the straight-line method to allocate the cost of each asset less its residual value over its estimated useful life, as follows:

<u>Assets</u>	<u>Years</u>
Computers and equipment	4

#### (i) **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are stated at market value. All realised and unrealised gains and losses are recognised within the Statement of Financial Activities. Investments which the Charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year, which are held for investment purposes, are disclosed as current asset investments.

#### (j) **Financial assets and liabilities**

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities which qualify as basic financial instruments are initially recognised at the settlement amount after any trade discounts. They are subsequently valued at amortised cost and assessed for impairment at the end of each reporting period. Where settlement is not expected within 12 months of the balance sheet date, then the asset or liability is discounted using the long term return of inflation plus 4 percent used as the target for the Charity's investment portfolio. Basic financial instruments include debtors, cash and creditors within the balance sheet.

# LIFELITES

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2023

#### (k) Foreign currencies

Transactions denominated in foreign currencies are translated into Pounds Sterling at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Pounds Sterling at the rate ruling at the balance sheet date. All foreign exchange gains and losses, realised and unrealised, are recognised in the Statement of Financial Activities.

#### (l) Taxation

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and it is considered to pass the test set out in paragraph 1, schedule 6 of the Finance Act 2010, and therefore it meets the definition of a charity for UK Corporation Tax purposes. The Charity is unable to recover Value Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.



# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

2. INVESTMENT INCOME	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Income from investment portfolios	101	0	5	106	76
	<u>101</u>	<u>0</u>	<u>5</u>	<u>106</u>	<u>76</u>
3. COST OF GENERATING FUNDS	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total Funds £'000	Total Funds £'000
Salaries, NI and pension contributions	116	0	0	116	116
Printing, stationery and advertising	64	0	0	64	12
Travel expenses	2	0	0	2	2
Staff training, conferences, subscriptions & staff costs	1	0	0	1	1
	<u>183</u>	<u>0</u>	<u>0</u>	<u>183</u>	<u>131</u>
4. CHARITABLE ACTIVITIES	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total Funds £'000	Total Funds £'000
Supply of equipment and technologies for use by beneficiaries	174	138	52	364	347
Service support and training:					
Salaries, NI and pension contributions	161	17	0	178	200
Printing, stationery, postage and telephone	4	0	0	4	3
Travel expenses	10	0	0	10	7
Professional fees	2	0	0	2	8
Staff training, conferences, subscriptions & staff costs	4	0	0	4	2
Sundry expenses	5	0	0	5	19
Audit fee	8	0	0	8	7
	<u>194</u>	<u>17</u>	<u>0</u>	<u>211</u>	<u>246</u>
	<u>368</u>	<u>155</u>	<u>52</u>	<u>575</u>	<u>593</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

<b>5. STAFF COSTS</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	248	261
Social security costs	22	27
Pension contributions	24	26
Employee benefits	0	2
	<u>294</u>	<u>316</u>

<b>AVERAGE NUMBER OF STAFF</b>	<b>2023</b>	<b>2022</b>
Generating funds	3	3
Charitable activities	4	4
	<u>7</u>	<u>7</u>

<b>STAFF EARNING MORE THAN £60,000 (INC. BENEFITS)</b>	<b>2023</b>	<b>2022</b>
£70,001 to £80,000	1	1
Total	<u>1</u>	<u>1</u>

Senior management remuneration paid for the year totalled £85k (2022: £113k). No trustees received remuneration during the year (2022: £Nil). No trustees received payment for travel and subsistence expenses during the year (2022: £Nil).

# LIFELITES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 6. INTANGIBLE AND TANGIBLE FIXED ASSETS

	Lifelites Branding £'000	Equipment & Furniture £'000	Total £'000
<b>Cost</b>			
Balance at 31 March 2022	11	-	11
Additions	33	24	57
Disposals	-	-	-
Balance at 31 March 2023	<u>44</u>	<u>24</u>	<u>68</u>
<b>Depreciation</b>			
Balance at 31 March 2022	3	-	3
Charge for the year	6	1	7
Disposals	-	-	-
Balance at 31 March 2023	<u>9</u>	<u>1</u>	<u>10</u>
<b>Net book value</b>			
At 31 March 2023	<u>35</u>	<u>23</u>	<u>58</u>
At 31 March 2022	<u>8</u>	<u>-</u>	<u>8</u>

# LIFELITES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

<b>7. INVESTMENTS</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	4,197	4,504
	<u>4,197</u>	<u>4,504</u>
Current Asset Investments		
- RLAM	105	103
	<u>105</u>	<u>103</u>
	<u>4,302</u>	<u>4,607</u>

### MOVEMENTS IN INVESTMENTS

#### Listed

Balance at 1 April 2022	4,607	4,005
Additions	100	400
Disposals	(280)	(200)
Investment income	105	76
Management fees	(21)	(20)
Gains/(losses)	(209)	346
	<u>4,302</u>	<u>4,607</u>

### RECONCILIATION TO SOFA

Gains/(losses) on listed investments	(209)	346
	<u>(209)</u>	<u>346</u>

# LIFELITES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

8. DEBTORS	2023 £'000	2022 £'000
Prepayments and accrued income	136	76
	<u>136</u>	<u>76</u>

9. CREDITORS	2023 £'000	2022 £'000
<b>Falling due within one year</b>		
Amounts owed to MCF	30	12
Accruals and deferred income	12	14
Taxation and social security	9	8
Other creditors	17	5
	<u>68</u>	<u>39</u>

# LIFELITES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

<b>ASSETS AND LIABILITIES</b>	Fixed Assets £000s	Investments £000s	Money Market Deposits £000s	Current Assets £000s	Current Liabilities £000s	Fund Total £000s
<b>Restricted funds</b>	0	0	278	0	0	278
<b>Endowment Reserves</b>						
The Ted Gosling Fund	0	193	0	0	0	193
<b>Unrestricted funds</b>						
Designated reserves	0	2,383	0	0	0	2,383
Designated reserves 25 Anniversary	0	1,000	0	0	0	1,000
General reserves	58	621	(151)	241	(68)	701
<b>Total funds</b>	<b>58</b>	<b>4,197</b>	<b>127</b>	<b>241</b>	<b>(68)</b>	<b>4,555</b>

### 11. MOVEMENT IN FUNDS

The financial summary of the funds is set out below, together with an analysis of the restricted funds. Some restricted donations are given to cover costs at a site over a four-year period and so are not spent in the year they are given; these are shown as restricted. There are 56 different restricted funds, and each is individually immaterial and as such they are combined in the disclosure that follows. Designated funds are amounts already committed to multi-year projects as explained on page 10 of the Trustees Report.

	Balance 31 March 2022 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance 31 March 2023 £'000
Restricted Funds	288	145	(155)	0	0	278
The Ted Gosling Fund	253	5	(53)	(12)	0	193
Unrestricted funds:						
General reserves	883	505	(571)	(197)	81	701
Designated reserves – 25 Anniversary	1,000	0	0	0	0	1,000
Designated reserves – Hopsice Support	2,464	0	0	0	(81)	2,383
<b>Total funds</b>	<b>4,888</b>	<b>655</b>	<b>(779)</b>	<b>(209)</b>	<b>0</b>	<b>4,555</b>

# LIFELITES

## 12. STATEMENT OF FINANCIAL ACTIVITIES

(Including an Income and Expenditure Account)

PERIOD ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Endowment funds 2022 £'000	Total Funds 2022 £'000
<b>INCOME</b>					
Donations		444	284	250	978
Legacies		0	0	0	0
Investment income	2	76	0	0	76
<b>Total income</b>		<b>520</b>	<b>284</b>	<b>250</b>	<b>1,054</b>
<b>EXPENDITURE</b>					
Cost of generating funds	3	(131)	0	0	(131)
Investment management costs		(20)	0	0	(20)
		(151)	0	0	(151)
Charitable activities	4	(390)	(203)	0	(593)
<b>Total expenditure</b>		<b>(541)</b>	<b>(203)</b>	<b>0</b>	<b>(744)</b>
Net gains/(losses) on investments	7	343	0	3	346
<b>NET MOVEMENT IN FUNDS</b>		<b>322</b>	<b>81</b>	<b>253</b>	<b>656</b>
Total funds brought forward		4,025	207	0	4,232
<b>Total funds carried forward</b>		<b>4,347</b>	<b>288</b>	<b>253</b>	<b>4,888</b>

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

## 13. PENSION COMMITMENTS

The Charity makes contributions to a defined contribution pension scheme for the benefit of eleven employees. The pension cost charge represents contributions payable by the Charity of £24k (2021/22: £26k)

## 14. RELATED PARTY TRANSACTIONS

Financial services and office facilities are provided by the Masonic Charitable Foundation, both at no cost to the Charity.

Donations of £3k were received directly from trustees (2021/22: £2k). These donations had no conditions attached to them.

A balance of £30k (2021/22: £12k) was due to MCF at year end.