

Strategic Impact Report

(inc. Trustees Report & Financial Statements)

For the year ended 31 March 2024





Contents

- 01. Strategic Impact Report
- 24. Trustees Annual Report
- 41. Auditor's Report
- 48. Statement of Financial Activities
- 49. Balance Sheet
- 50. Cash Flow Statement
- 51. Notes to the Financial Statements

Strategic Impact Report

Welcome

At Lifelites we passionately believe that all children with life-limiting conditions and complex disabilities should enjoy a childhood filled with special moments of fun, learning, happiness, and meaningful connection.

Since 1999, we have provided cutting-edge technology, training, and ongoing technical support free of charge to children's hospices and palliative care services in Britain and Ireland. Over this time, thanks to our unique services, around 10,000 children each year have been able to access the joy that this life-changing technology brings. We know first-hand that these priceless moments not only brighten the lives of the children but also bring immense joy to their families.

The children's palliative care sector is changing at pace. With advances in clinical care, more children and young people in the UK are living with life-limiting and life-threatening conditions. The services they are accessing and the settings in which they are receiving support are also evolving. Today, an estimated 99,000 children are navigating these challenges, often with increasingly complex needs. Most are supported beyond hospice services in hospitals, community settings or at home.

In April, we launched our ambitious new strategy, at the heart of which is our Vision that **every** child with a life-limiting condition will be able to engage and interact with the people they love and enjoy the world they live in.

To turn this vision into reality, we have reimagined our service model, forming exciting new partnerships across the wider children's palliative care sector. This has included an exciting new collaboration with Sebastian's Action Trust, a short breaks, outreach and family support service, extending our reach to another 1,000 seriously ill children and young people. Based on this experience, we are now developing further partnerships.

Over the last 12 months, this expansion has given access to the latest assistive and sensory technology for 13,710 children but this is just the start.

In order to increase our reach and performance over the longer-term, we have been laying the fundamental foundations to ensure that we can deliver our strategy safely, sustainably and to the highest quality.

As we drive forward, we are determined to bring life-changing technology to more children through innovative, impactful partnerships with respite centres, specialist care facilities, and special educational needs services across Britain and Ireland.

Central to this will be our transformational Lifelites 25 programme, which will be the epicentre of our 25th anniversary celebrations. You

can read more about Lifelites 25 later in this report but we are planning a once in a generation investment into children's palliative care, to extend our reach far beyond our current achievement and closer to the 99,000.



The last year has been a journey of discovery and we would like to thank all of our key partners and stakeholders for their advice, encouragement and support, which has enabled us to think bigger and initiate such ambitious plans for the future. We are particularly grateful to our partners in Freemasonry whose ongoing support is integral to our aspirations. We are proud of the progress we have made in the last year but we are under no illusions there is still much work to be done.

And we know that partnerships both large and small, formal and informal will be integral to achieving outcomes for children and their families. As we seek to accelerate through our strategy, your support is more crucial than ever.

While reading this report, please think about how you can help us achieve our Vision. Can you spread awareness of our work within your network? Can you volunteer your time to help us raise funds? Can you contribute more today or consider leaving a legacy for the future?

Whatever you choose to do, we greatly appreciate your past and future support for Lifelites, and we look forward to strengthening our relationship in the coming year and beyond.



Tony Harvey
Chair of Trustees



Rob Lightfoot
Chief Executive

Vision, Mission & Values

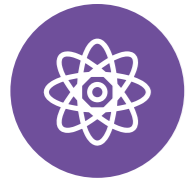
VISION

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 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.



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. We empower children, their families, our partners and our team to discover and reach their full potential.



Innovative

We seek new ways to achieve our Vision, serve children in need and their families, develop our team and build our relationships with our partners.

2023/24 at glance



14
packages of new technology.



57 children's palliative care partners across Britain and Ireland.



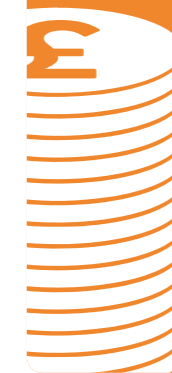
195
children's palliative care staff trained.



2,084
hours worth of training delivered.

13,710
children and young people accessing support.

10,638
miles travelled to deliver installations and training.



£608,000
worth of new equipment, training and technical support.

Quality

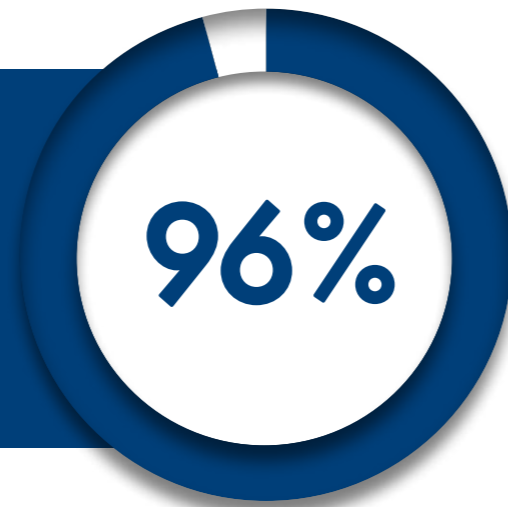
Central to our strategy is the ambition to deliver the highest quality services providing maximum impact for our service partners, children and their families.

Our unique services enable children to play, create and communicate, contributing to measurable improvements in their wellbeing. 2023/24 partner monitoring data highlights:



Improvement in emotional wellbeing

100% noted enhanced emotional wellbeing, with our technology alleviating stress and boosting happiness.



Reduction in social isolation

96% of partners reported that our services significantly reduce social isolation, helping families stay connected.



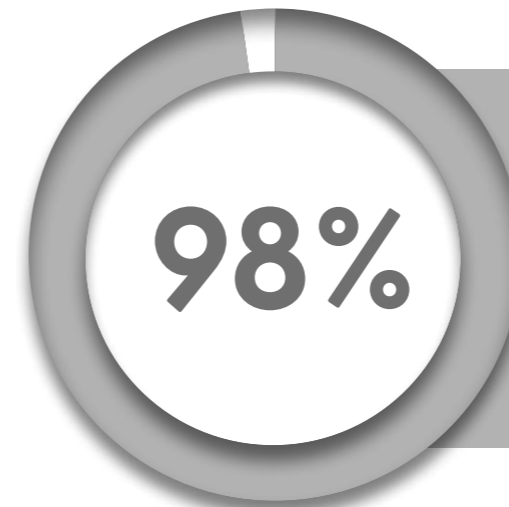
Enhancement of communication

94% reported improved communication, particularly enabling non-verbal children to express themselves.



Increased independence

98% observed increased independence in children, enabling them to engage more actively and take control.



More resilient families

98% saw strengthened family relationships and resilience.

Shay and Alan family story

Like many teenagers, Shay is an enthusiastic gamer. He loves to use the Lifelites technology when he visits his local hospice, where he can enjoy world's of excitement using special adaptive controls or get lost in the adventures of VR gaming.

Shay has Pearson syndrome, an incredibly rare mitochondrial disease that affects multiple body organs.

Shay's dad, Alan, explains the impact Lifelites has had on Shay:

“Gaming gives Shay an opportunity to connect with his peers and control something for himself. Video games have been fantastic. They keep him believing he is a normal kid; he would not be able to play football with friends, but he can play FIFA!

Gaming provides a shared interest and it lets him compete on the same level, even though he has a disability.”

“Shay's condition has affected his memory, but when he's playing online with his friends, they're flowing, they're chatting away.

Shay doesn't know a lot about his condition, but he knows he's different from other children. This technology gets him away from it. He doesn't think about his feeding tube or his medicines as he plays.”



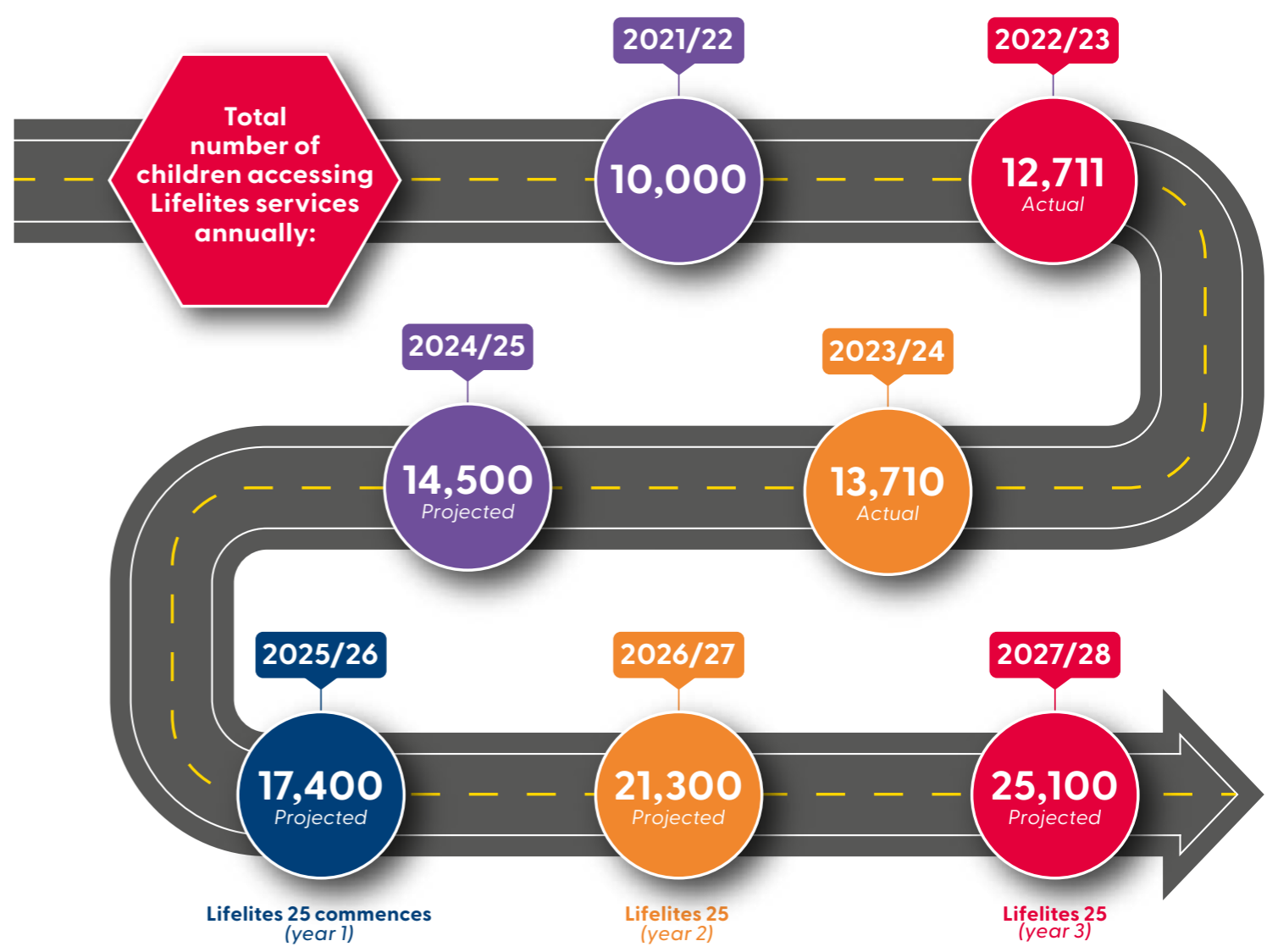
Access

National charity,
local impact



Lifelites has long had the aspiration to expand its reach, most recently developing the Tech Trunk to provide support for hospice at home and community services. We want to go much further by developing new partnerships with respite centres, specialist care services and special educational needs organisations across Britain and Ireland.

Over the last two years we have added new core service partners and identified many more with whom we would like to work in future. By evolving our service model, we aim to double the number of children accessing our services by 2028.



Beyond hospices

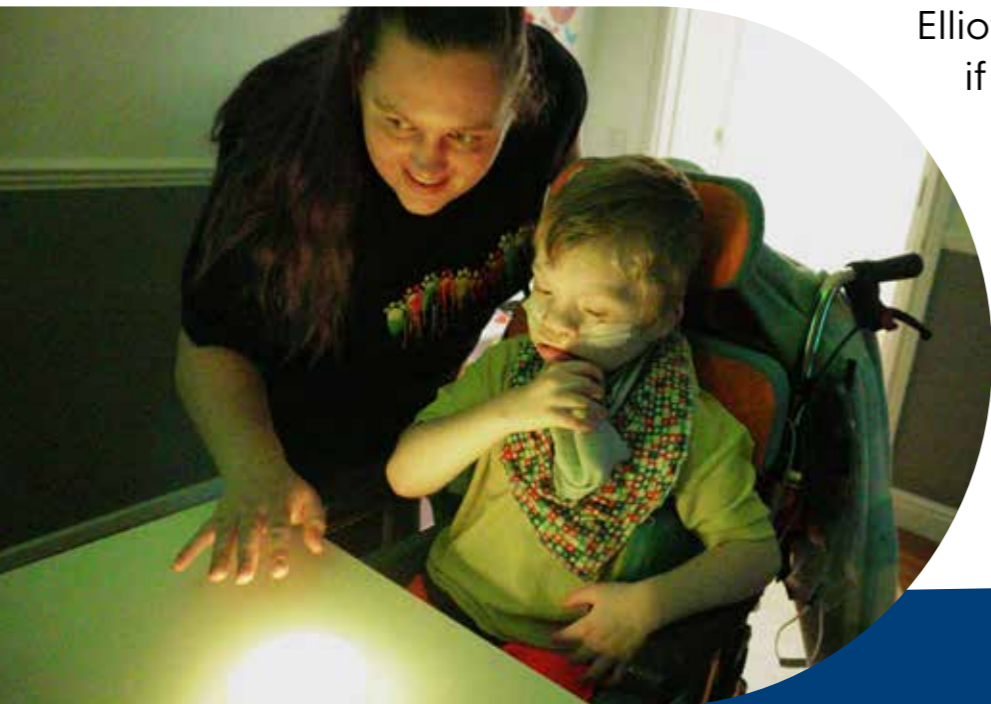
Creating memories in partnership with Sebastian's Action Trust

In December 2023, we proudly launched our newest partnership with the incredible Sebastian's Action Trust, which provides family breaks and holistic support services for families living in Hampshire, Berkshire and surrounding areas.

As we installed this brand new package of technology, we were honoured to meet Elliot and his mum, Marnie, as they tried out our assistive technology for the very first time.

Elliot is a happy, vibrant 7-year old boy who loves to dance and play. He was born with a rare and complex genetic condition called 8;18 unbalanced translocation, which causes a variety of health issues.

Marnie says **“ Elliot is a massive fighter. We've nearly lost him twice. He's on full-time oxygen, he's got a single kidney, his stomach doesn't work, he's had 12 surgeries, he's been intubated twice but he's still here and he's the healthiest he's ever been. He's the light of my life and I'm so lucky to wake up to him every day!”**



Elliot is full of life, Marnie says if things were different she thinks he'd be a ballet dancer because he loves music.

We let Elliot loose on our equipment while we chatted to Marnie.

“ We've had support from Sebastian's Action Trust since Elliot was four months old. They've been there for us through the good, the bad and the ugly.”

“ We come here for so many different activities, therapies and support. We don't know how long we've got with Elliot but it's so important for us to know that when the time comes that we lose him, he's got some amazing memories of doing all the things that he loves.”

We moved back through to see how Elliot was getting on. We found him playing with the Cosmo, a unique sensory switch system, which re-imagines physical therapy and play and helps to improve both cognition and physical mobility.

“ He is loving being in control” says Marnie, “a lot of our children can't communicate, but with technology like this, it's led by him. They can show us what they want and what they like. For example, different colour switches. We can see which switch he navigates to and we can see what his favourite colour is and stuff like that.”

For Marnie enabling Elliot to express himself and let his bubbly personality come to the fore is vital for his development.

“ He loves people, he's very social. He is just your typical seven year old, but he just can't express it the way most seven year olds do.

He's been out here for half an hour now, quite happily, independently playing, which is so, so important for our children because so much of the time they're vulnerable and need protecting.

So when they can do an activity independently, it's so important for their mental health and their development that they can express who they are.”

The power of partnerships

The power of partnerships in children's palliative care

At Lifelites, we believe in the transformative power of technology and collaboration. Our partnerships with children's palliative care services like Naomi House and Jacksplace are at the heart of our mission. This case study highlights the impact of our work through the experiences of two dedicated Lifelites Champions, Claire Potterton and Claire Floyd, whose passion and commitment have significantly enhanced the lives of children and young adults in their care.

Meet the Champions

Claire Potterton has been a part of the Naomi House and Jacksplace team for two years, serving as the Play and Activities Team Lead. Her role involves creating meaningful and memorable experiences for children, young adults, and their families, often in challenging circumstances. Claire emphasises the privilege she feels in making a difference, providing spaces where families can connect, laugh, cry, and create lasting memories together.

Claire Floyd brings nearly 20 years of experience to her role as an Activities Team Youth Worker. With a deep commitment to helping young adults achieve greater independence, Claire has been a Lifelites Champion since 2005. Her long-standing involvement with Lifelites reflects her dedication to empowering young people through technology, even as they face the most difficult times in their lives.



The impact of Lifelites technology

Both Champions have seen first-hand how Lifelites technology can transform the experiences of the children and young adults they support.

For Claire Potterton, the PODS Sensory Tent is a stand out piece of technology. This versatile, inflatable tent allows her team to create immersive, sensory-rich environments tailored to the needs of the children. It's used daily for calming sessions, one-on-one activities, and sensory stories, making it an indispensable in their care toolkit. The Eyegaze technology is another critical asset, offering children a new way to communicate and interact with their surroundings. Claire has witnessed how these tools open up opportunities not only within Naomi House but also in the children's broader lives.

Claire Floyd, on the other hand, highlights the Click-on Switch technology. This device allows children with limited mobility to operate everyday items like fans and food mixers, fostering a sense of independence that might otherwise be out of reach. Claire recounts the joy of seeing children engage with these tools, gaining confidence and control over their environment.

The impact of Lifelites technology extends beyond the immediate sensory and communication benefits. For many families, it provides hope and reassurance. Claire Floyd shares a touching story of how Lifelites technology helped a non-verbal child communicate with his family for the first time. The simple yet profound moment of a child saying "Hi Nanny" through an app provided by Lifelites brought tears of joy to the family, demonstrating the profound difference that access to the right technology can make.



Stronger together

These stories underscore the broader outcomes of the partnership between Lifelites and Naomi House and Jackspace. By providing cutting-edge technology and training, Lifelites empowers care teams to deliver more personalised and impactful support to the children and young adults they serve. The result is a more enriched, engaged, and empowered community, where children can explore their potential and families can find moments of connection and joy amidst challenging circumstances.

The partnership between Lifelites and Naomi House and Jackspace exemplifies the power of collaboration in children's palliative care. Through the dedication of Lifelites Champions like Claire Potterton and Claire Floyd, technology becomes more than just a tool—it becomes a lifeline, a source of joy, and a gateway to independence. Together, we are making a tangible difference in the lives of children and their families, showing that with passion, innovation, and teamwork, we can achieve extraordinary outcomes.



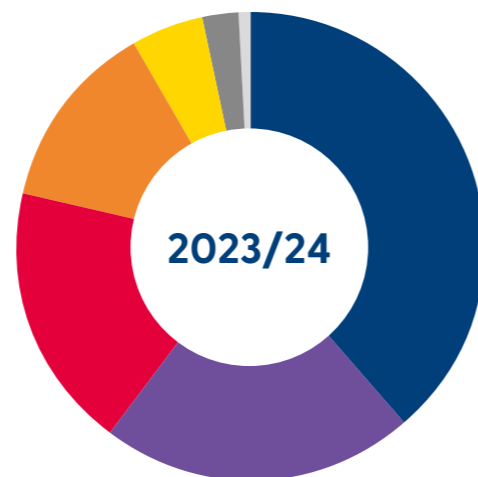
Strategy enablers

Income

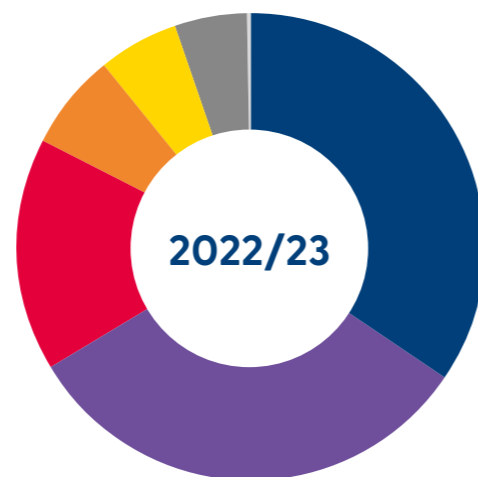
Fundraising in the year was challenging and we are extremely grateful for all those funders and individuals who chose to support Lifelites during such difficult economic circumstances. Overall, our income for the year was both down on our target and prior year performance. However, the figures in isolation do not tell the story of enormous progress as we have established a new fundraising strategy to diversify income and seek to improve recognition and retention with existing supporters.

In the year we were delighted to work with a number of new major funders, including Wooden Spoon, the Smurfit Kappa Foundation and VINCI Foundation, as well as receiving support from long-standing partners from Freemasonry, Childwick Trust, the Worshipful Company of Information Technologists and GamesAid.

Income source	2023/24
Charitable Trusts	190,000
Investment income	107,000
Community - Freemasonry	91,000
Corporate	64,000
Individual Giving	24,000
Gift-in-Kind	12,000
Events	4,000
Total	492,000



Income source	2022/23
Community - Freemasonry	226,000
Charitable Trusts	209,000
Investment income	106,000
Individual Giving	44,000
Corporate	37,000
Gift-in-Kind	32,000
Legacies	1,000
Total	655,000



Expenditure

During the year, despite the challenging fundraising climate the Charity honoured all its funding commitments to our children's palliative care partners. To ensure this level of continued investment, costs were held back elsewhere whilst attention focussed on ensuring internal building blocks for good governance, fundraising development and service expansion aspirations were developed thoroughly.

Expenditure Source	2023/24	2022/23
Equipment, installation and technical support	349,000	364,000
Partner support and service management	259,000	211,000
Generating income	185,000	183,000
Investment management	20,000	21,000
Total	813,00	779,000

Targeting our resources where it matters most

At Lifelites, 75p of every £1 we spend goes directly towards delivering our charitable activities. This includes the cost of technology, specialist technical support, training, advice for partners, and project coordination. This high level of efficiency ensures that donations are used effectively to make the greatest impact on the lives of children with complex disabilities and their families.

Brand

Brand performance within the year held steady, with some positive increases in engagement on social media platforms. The new Lifelites branding and case for support gained traction with new audiences evidenced by new partnerships with trust and corporate partners. During the year we commissioned a comprehensive review of our website performance and identified a clear need to develop a new website, which will be launched in September 2024. We also laid a solid communications plan for our 25th anniversary celebrations, which we intend to use as a platform to transform awareness of our unique work.



Governance

Significant progress was made during the year in our ambition to align to the Charity Governance Code. A comprehensive self-assessment was undertaken in May 2023, which resulted in a thematic action plan addressing a wide range of improvements against each of the seven principles of the Code. At the end of the period, this action plan was almost complete and the Charity is due to complete a further self-assessment in July 2024 to review and identify further recommendations for implementation.



People

As part of the resourcing requirements for our new strategy, Lifelites recruited successfully to a new role within the Services department within the year. This role will drive quality and engagement with our partners across children's palliative care and provide an essential link between service delivery and communications. Elsewhere, we successfully recruited an experienced Head of Fundraising and Communications, who rapidly set about auditing all departmental operations and established robust long-term plans for improved brand awareness and income diversification.

Future plans

Celebrating Lifelites at 25

Our Strategic Plan 2023–28 is designed to centre on Lifelites 25th 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.

At the heart of these plans is Lifelites 25, our unique partnership programme, designed to significantly increase access to assistive technology for children with life-limiting conditions and to deliver transformational partnerships which will break new ground in the use of digital and technology services for children and families. Lifelites will identify 25 new projects over three years, both large and small as we seek to ensure that more children and young people with life-limiting conditions have the opportunity to experience unforgettable moments of connection and joy with their families.

The programmes will launch in Autumn 2024.

Sustainability

Increasing brand awareness and diversifying our income are key priorities within our strategy. In order to achieve our ambitions long-term, it will be fundamental for Lifelites to increase the scale and diversity of our funding. To this end, we will be seeking to develop corporate, philanthropy, legacy and individual giving programmes, which will be a significant focus in the coming year. In addition, we have already put improved donor recognition and retention plans in motion and intend to ensure that both new and existing supporters are engaged, motivated and bought into our journey. Much of this activity will pivot around Lifelites’ 25th anniversary as a unique opportunity to celebrate our achievements, inspire and engage new and existing supporters.

This kind of long-term income growth and diversification will take both resources and time. Therefore, the Trustees have established a designated fund to invest in brand awareness growth and long-term income diversification, relationship management and sustainability over the duration of the strategy.



Trustees Annual Report

Report and Accounts of the Trustees of Lifelites for the year ended 31 March 2024

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.

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 (*Resigned 2023*)

ADG Harvey, FLPI, FIoL, FCMI, FCIPD, FRSA

Chair of the Board of Trustees from 10 August 2023

CP Noon, MPhil, MA (Oxon.), MBA, FRSA
(*Resigned 1 May 2024*)

TJ Rennie, RGN/RSCN, MBA (*Appointed 16 October 2023*)

L Shattock

NS Springer (*Retired 28 February 2024*)

Treasurer

T Sherwood (*Appointed 13 March 2024*)

Treasurer

KV Stewart FBCS, CITP, FRSA

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

HG Wilson

M Woodcock, JP, DLitt, CIntMC

Chair of the Board of Trustees until 10 August 2023

S Umradia

Lifelites Executive

RW Lightfoot

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

Structure, Governance & Management

Governing document

The constitution 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, including mandatory training on Safeguarding; Diversity, Equity and Inclusion; General Data Protection Regulation; and Cyber Security. All Trustees sign a declaration stating that they agree to Lifelites' Trustee Code of Conduct and adopt the Nolan Principles of Public Life.

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; a Fundraising and Communications Committee to assist with fundraising strategy and communications planning; and a Strategy, Governance and Risk Committee, which leads on Lifelites' strategy and considers key governance and risk areas in detail.



Risk Management

Lifelites takes risk management seriously, regularly reviewing and assessing the risks in all areas of its work and plans for the management of those risks. Risk is an everyday part of the Charity's work. Managing risk effectively is essential for the Board to deliver Lifelites' Mission, adhere to our values and safeguard our stakeholders, reputation, funds and assets.

The Trustees recently adopted a new risk management policy which allows the Charity to:

- Identify the major risks that apply to the Charity
- Make decisions about how to respond to the risks we face
- Demonstrate our professional approach to risk management to the public and all stakeholders.

Managing risk is an integral part of Lifelites' governance and leadership and is fundamental to how Lifelites is managed at all levels.

Risk management is part of, and not separate from, the organisational purpose, governance, leadership, strategy, objectives and operations of Lifelites. Risk management is a key focus within each of these areas and an essential element for the successful and safe delivery of our Mission.

In setting risk appetite, the Trustees consider that there is 'no one size fits all' approach and there is no one magic calculation, and that risk appetite may not be always quantifiable. Therefore Lifelites Trustees consider each risk carefully, balancing both potential negative and positive consequences before landing on the degree of acceptable risk for each key risk. Risk appetite for each risk is recorded in the risk register and reviewed quarterly.

Principal Risks

Lifelites' analysis of risk is comprehensive, identifying risks thematically including; strategy, governance, operations, finance, compliance, environmental and external areas. Upon identification and initial scoring, control measures are established to limit the likelihood and impact of each risk. Accounting for existing controls, risks are then recalculated and further controls identified where necessary.

The principal risks rated at high after existing controls and with details of further actions are as follows:

Risk Details	Impact	Existing Controls	Further Action
Poor monitoring, reporting & action tracking processes	Data protection breach Unclear reporting Funding loss Reputational damage Failure to deliver strategic objectives	Staff supervision & objective setting aligned to strategy Trustee & Committee meeting schedule agreed Standard template reports Funder reporting schedule built into database Revised Trustee Minute & action tracking process	Strategy Monitoring process and monitoring tool to be implemented
Failure to capitalise on Lifelites 25th Anniversary	Lack of funding growth Failure to deliver strategy Reputational damage Loss of reserves without impact	Overall strategy in place Key objectives identified Comms and activity plans developing Roles, responsibilities and resources allocated	Trustee & SLT Away Day to set objectives and headline plan Develop campaign comms plan to align L25, brand awareness, fundraising and business as usual activities Engage key stakeholders in campaign plans Identify external resources to support delivery (agency and consultant)

Risk Details	Impact	Existing Controls	Further Action
Trustees & staff burnout	Individuals not able to perform roles Lack of leadership Service delivery disruption Loss of key personnel	Staff Leadership Structure in place Committee structure to advise and support Wellbeing policy for staff Full staff team in now place Effective supervision & Performance Development Review processes High workload and pressure	Quarterly team away days Staff survey actions
Lack of income diversity	Longer-term sustainability Service impact Depleting reserves	Monthly income projections High prioritisation on stewardship Digital fundraising development	Fundraising Strategy development Targeted approach to Freemasonry & other major partners Targeted corporate fundraising strategy New individual giving, philanthropy and legacy fundraising programme development Website development
Donor / Hospice database breakdown	Service disruption Funding relationships damaged Data protection breach Loss of data High expenditure to resolve	System held on Lifelites servers Some internal knowledge Significant risk for future development / system lacks modern functionality Database needs reviewed Preferred CRM system identified & initiated	Data migration Staff training
Non-compliance with Health and Safety Regulations	Criminal charges Reputational damage Death / injury to staff, volunteer, client, other stakeholder Litigation	Health & Safety Executive Guidelines followed but documentation requires improvement Established procedures for install, training etc. pre-visit questionnaires, risk assessments for delivery well established but need better documentation Serviced office Insurances in place	Review H&S documentation and procedures for install and training Embed risk assessments for each installation as standard

Risk Details	Impact	Existing Controls	Further Action
Fine or action from the ICO due to non compliance with GDPR	Criminal charges Fine Reputational damage	GDPR policy & procedures in place but due for review and overhaul with new database and website Data retention schedule in place but need to ensure compliance with new website and processes Consent record maintained on database but need to embed to new CRM	Review and refresh data protection, privacy and data retention schedule Embed procedures into new website and CRM
Loss of income due to competition, lack of public awareness etc	Loss of income Failure to deliver strategic objectives	Emotive & unique cause Case studies articulate impact Brand representation requires work Website review highlights major issues	New website development Marketing & communications plan 25th anniversary programme

Fundraising Standards

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

- 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.

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 settings in Britain and Ireland 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.

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.

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.



In addition to the provision of technology, Lifelites also provides bespoke, specialised training for staff across children's palliative care, to ensure that the latest practices are adopted and equipment is maximised to its full potential. Further to this, Lifelites also provides technical support for partners to ensure that technology is in working order, simple and efficient to use across multiple settings and locations.

Partners

Lifelites was established in 1999 as the Millennium Project for the Royal Masonic Trust for Girls and Boys (RMTGB). Lifelites continues to work in partnership with the Masonic Charitable Foundation (MCF, the Freemasons' Charity) at Freemasons' Hall.

The MCF provides Lifelites with office premises and specialist administrative support, such as IT and HR services, at no cost. This generous in-kind support maximises the amount of fundraising income that can be used to deliver our life-changing work for children with life-limiting conditions.

The MCF also nominates up to one third of Lifelites' trustees, which helps to strengthen the partnership and maintain effective relationships across Freemasonry.

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

The Charity is a proud member of Together for Short Lives and through our service delivery model is privileged to partner children's palliative care services across Britain and Ireland, including every children's hospice service.

In addition to these strong historic partnerships, Lifelites is grateful for the support of numerous trusts, foundations, companies and individual supporters who invest in our important work bringing fun, happiness and connection for children and families across the country.

Volunteers

Fundraising

Volunteers (individuals and groups) and Trustees play important roles in fundraising 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

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.



Financial Summary

With the launch of the Charity's new strategy the Trustees planned for a year of transition in order to lay foundations for Lifelites to become more resilient and diversify fundraising over the next five years. This foundation building also coincided with high staff turnover in the fundraising department and the recruitment of a new Head of Fundraising and Communications. In addition, the external fundraising landscape continued to be extremely challenging, with traditional sources of funding, like trusts and foundations increasingly competitive.

As a result, during the 12 months to 31 March 2024, donations and legacies amounted to £384k (2022/23 £548k), a decrease of 30%, though the lower return was forecast and planned for from early in the period. Investments generated income of £108k (2022/23 £106k) and investment gains of £524k (2022/23 losses £209k). Donations made to Lifelites during this period included support for installations at specific sites, palliative care staff training, project management and the technical support 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 £608k (2022/23 £575k). Expenditure on the cost of generating income was £185k (2022/23 £183k) and the investment management costs were £20k (2022/23 £21k).

As at 31 March 2024, there was an operational loss of £321k but gains on investments of £524k delivered a net movement of funds of £203k leaving residual funds to the value of £4,758k (31 Mar 2023 £4,555k).

The planned investment in sustainability through increased brand awareness and income diversification is expected to continue for the next two to three years, during which time the Charity intends to utilise some reserves to establish long-term sustainable sources of income from corporate partnerships, events, philanthropy and individual giving.

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. Lifelites Performance and Remuneration Policy seeks to benchmark pay competitively within the sector whilst also rewarding staff performance.

Reserves Policy

When Lifelites was established as a separate charity in 2006, the Royal Masonic Trust for Girls and Boys made a donation to Lifelites comprising the residue of the fund created when Lifelites was set up as their Millennium project. At the time of this gift, the funds were treated like an endowment and invested to generate income to support the costs of developing sustainable sources of income. This approach served the charity well for many years, whilst the organisation established its services and fundraising activities.

With the launch of our new strategy, the Trustees have re-considered the purposes for which the Charity needs to hold reserves. They believe that the reserves should be clearly structured to cover the financial impact of risks to which the Charity is exposed, provide sufficient funds to safeguard against the volatility of key income streams, to honour the Charity's short-term commitments to its partners, to invest in income sustainability and to deliver the key objectives of our strategy.

To achieve this the Trustees are resolved to utilise the Charity's reserves more proactively over the period of the strategy. Accordingly, the Trustees have established a series of designated funds to meet both short and longer-term strategic objectives. In addition, the Trustees have set target levels for retained free reserves and outlined Lifelites' obligations in relation to restricted funds.



As a result of the planned use of designated funds as detailed below, it is anticipated that Lifelites' overall reserves will decrease year on year as programmes are delivered.

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 restricted funds from a number of funders until such time as they can be utilised in accordance their wishes.

Designated funds

Financial Impact of Risk

Lifelites has established a designated reserve connected directly to the Charity's Risk Management Policy and Risk Register to ring-fence funds to enable to Charity to respond effectively to risk events. Projections are based on the assessment of key risks and their likely financial impact. The purpose of this designated reserve is to respond to risk events and to ensure that there is no significant disruption to our charitable activities.

Service Continuity

The Trustees have designated a fund to honour and protect its moral commitment to its service partners due for installation of new technology within the next 12 months in the event of significant down turn in income generation activities. This will include the cost of equipment, procurement, installation, training and scaled down administration.

Sustainability

Diversifying income and increasing brand awareness are key priorities within Lifelites strategy. The Trustees have established a designated fund to invest in brand awareness growth and long-term income diversification, relationship management and sustainability over the duration of the strategy.

Lifelites 25

The Trustees have designated funds to act as a catalyst for our strategic ambitions spanning our 25th anniversary, by investing in activities to improve the quality of services delivered through technology and increase access to assistive technology across children's palliative care. Funding will be utilised and invested in carefully identified projects from April 2025 to March 2028.

Free Reserves / Unrestricted Funds

The Trustees have reviewed the need to set acceptable levels for free reserves, which ensure that the Charity holds sufficient working capital to safeguard against unforeseen risks and short-term income volatility in addition to providing the agility to take advantage of unforeseen opportunities as well as those planned. After taking into account the proactive and planned use of reserves through designated funds, the Trustees have resolved that the Charity's free reserves should have a target range of no less than six months and no more than 12 months of its business as usual operational costs. Included within the free reserves will be the calculation for shutdown costs, which, in the event it was necessary, to ensure the safe and compliant shutdown of the organisation.

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

In accordance with the policy, the Trustees have structured the Charity's reserves into defined funds, as follows:

	£,000
Total funds held at 31 March 2024	4,758
Restricted funds	
<i>Restricted funds</i>	268
<i>Endowment – The Ted Gostling Fund</i>	196
Designated funds	
<i>Financial Impact of Risk</i>	535
<i>Service Continuity</i>	589
<i>Sustainability</i>	500
<i>Lifelites 25</i>	2,000
Unrestricted funds	
<i>Total free reserves</i>	670



Investment Policy

Lifelites benefits from a CAIF – Charity Authorised Investment Fund professionally managed under the supervision of the MCF Investment Committee. 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 partner 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 in 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.

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;
- i. 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  11 September 2024

ADG Harvey, Chair



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 2024 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 2024 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 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. 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 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

Signed: 

Date: 17 September 2024

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



Statement of financial activity

YEAR ENDED 31 MARCH 2024

(Including an Income and Expenditure Account)

	Note	Unrestricted funds	Restricted funds	The Ted Gosling funds	Total funds	Total funds
		2024	2024	2024	2024	2023
		£'000	£'000	£'000	£'000	£'000
INCOME						
Donations		258	126	0	384	548
Legacies		0	0	0	0	1
Investment income	2	103	0	5	108	106
Total income		361	126	5	492	655
EXPENDITURE						
Cost of generating funds	3	(185)	0	0	(185)	(183)
Investment management costs		(19)	0	(1)	(20)	(21)
		(204)	0	(1)	(205)	(204)
Charitable activities	4	(444)	(136)	(28)	(608)	(575)
Total expenditure		(648)	(136)	(29)	(813)	(779)
Net gains/(losses) on investments	7	497	0	27	524	(209)
NET MOVEMENT IN FUNDS		210	(10)	3	203	(333)
Total funds brought forward		4,084	278	193	4,555	4,888
Total funds carried forward		(4,294)	268	196	4,758	4,555

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

The notes on pages 51 to 60 form part of these financial statements.

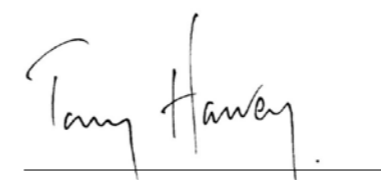
The prior year figures are analysed by fund in note 12 on page 61.

Balance sheet

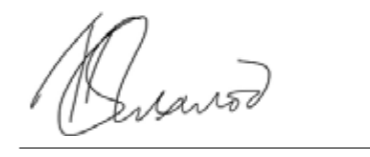
YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		£'000	£'000
FIXED ASSETS			
Intangible asset	6	67	23
Tangible asset	6	28	35
Investments	7	4,230	4,197
		4,325	4,255
CURRENT ASSETS			
Debtors	8	143	136
Investments	7	111	105
Cash at bank and in hand		248	127
		502	368
CURRENT LIABILITIES			
Creditors falling due within one year	9	(69)	(68)
NET CURRENT ASSETS		433	300
Total net assets		4,758	4,555
CHARITABLE FUNDS			
Restricted income funds	10, 11	268	278
The Ted Gosling Fund	10, 11	196	193
Unrestricted funds			
Designated reserves	10, 11	1,624	2,383
Designated reserves 25 Anniversary	10, 11	2,000	1,000
General reserves	10, 11	670	701
Total charitable funds		4,758	4,555

The financial statements were approved and authorised for issue by the Trustee Board on 11 September 2024 and signed on their behalf by:



ADG Harvey - Chair



T Sherwood - Treasurer

The notes on pages 51 to 61 form part of these financial statements.

Cash flow statement

YEAR ENDED 31 MARCH 2024

		2024	2023
		£'000	£'000
Operating Activities			
Net cash provided by/(used in) Operating Activities	A	(520)	(345)
Cash flows from investing activities			
Dividends, interest and rents from investments		108	106
Purchase of intangible fixed assets		(46)	(24)
Purchase of tangible fixed assets		(5)	(33)
Proceeds from the sale of investments		570	280
Purchase of investments		0	(100)
Net cash provided by/(used in) Operating Activities		641	236
Change in cash and cash equivalents in the reporting period		121	(109)
Cash and cash equivalents at the beginning of the reporting period		127	236
Cash and cash equivalents at the end of the reporting period	B	248	127

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		203	(333)
Adjustments for:			
Dividends, interest and rents from investments		(108)	(106)
Movements in investments		(609)	125
(Increase)/decrease in debtors		(7)	(60)
Increase/(decrease) in creditors		1	29
Net cash provided by/(used in) Operating Activities		(520)	(345)

B Analysis of cash and cash equivalents

Cash held by investment managers		0	0
Cash at bank and in hand		248	127
Total funds carried forward		248	127

Notes to the financial statements

YEAR ENDED 31 MARCH 2024

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.

(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 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. A designated fund covers one year of this four year cycle, the remainder of the cost to be raised from new income.

(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.

(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.

(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 Valued Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

	Unrestricted funds	Restricted funds	Endow-ment funds	Total funds	Total funds
	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000
2 INVESTMENT INCOME					
Interest on bank deposits	3	0	0	3	0
Income from investment portfolios	100	0	5	105	106
	103	0	5	108	106
3 COST OF GENERATING FUNDS					
Salaries, NI and pension contributions	115	0	0	115	116
Printing, stationery and advertising	69	0	0	69	64
Travel expenses	1	0	0	1	2
Staff training, conferences, subscriptions & staff costs	0	0	0	0	1
	185	0	0	185	183
4 CHARITABLE ACTIVITIES					
Supply of equipment and technologies for use by beneficiaries	203	118	28	349	364
Service support and training:					
Salaries, NI and pension contributions	182	18	0	200	178
Printing, stationery, postage and telephone	1	0	0	1	4
Travel expenses	16	0	0	16	10
Professional fees	11	0	0	11	2
Staff training, conferences, subscriptions & staff costs	9	0	0	9	4
Sundry expenses	14	0	0	14	5
Audit fee	8	0	0	8	8
	241	18	0	259	211
	444	136	28	608	575

	2024	2023
	£'000	£'000
5 STAFF COSTS		
Wages and salaries	267	248
Social security costs	23	22
Pension contributions	25	24
Employee benefits	0	0
	315	294

AVERAGE NUMBER OF STAFF

Generating funds	3	3
Charitable activities	4	4
	7	7

STAFF EARNING MORE THAN £60,000 (INC. BENEFITS)

£70,001 to £80,000	1	1
Total	1	1

Senior management remuneration paid for the year totalled £85k (2023: £85k). No trustees received remuneration during the year (2023: £Nil). Trustees received payment for travel and subsistence expenses during the year totalled £1k (2023: £Nil).

	2024	2023
	£'000	£'000
6 INTANGIBLE AND TANGIBLE FIXED ASSETS		
Cost		
Balance at 31 March 2023	24	68
Additions	-	5
Work in progress	46	46
Disposals	-	-
Balance at 31 March 2024	70	119
Depreciation		
Balance at 31 March 2023	1	10
Charge for the year	2	14
Disposals	-	-
Balance at 31 March 2024	3	24
Net book value		
At 31 March 2024	67	95
At 31 March 2023	23	58

	2024	2023
	£'000	£'000
7 INVESTMENTS		
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	4,230	4,197
	4,230	4,197
Current Asset Investments		
- RLAM	111	105
	111	105
	4,341	4,302

MOVEMENTS IN INVESTMENTS

Listed

Balance at 1 April 2023	4,302	4,607
Additions	0	100
Disposals	(570)	(280)
Investment income reinvested	105	105
Management fees charged to the fund	(20)	(21)
Gains/(losses)	524	(209)
Balance at 31 March 2024	4,341	4,302

RECONCILIATION TO SOFA

Gains/(losses) on listed investments	524	(209)
	524	(209)

8 DEBTORS

Prepayments and accrued income	143	136
	143	136

9 CREDITORS

Falling due within one year

Amounts owed to MCF	31	30
Accruals and deferred income	14	12
Taxation and social security	8	9
Other creditors	16	17
Balance at 31 March 2024	69	68

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Investments	Money Market Deposits	Current Assets	Current Liabilities	Total
	£'000	£'000	£'000	£'000	£'000	£'000
ASSETS AND LIABILITIES						
Restricted funds	0	0	268	0	0	268
Endowment Reserves						
The Ted Gosling Fund	0	196	0	0	0	196
Unrestricted funds						
Designated reserves	0	1,624	0	0	0	1,624
Designated reserves 25 Anniversary	0	2,000	0	0	0	2,000
General reserves	95	410	(20)	254	(69)	670
Total funds	95	4,230	248	254	(69)	4,758

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 36 of the Trustees Report.

	Balance 31 March 2023	Income	Expenditure	Gains/(losses)	Transfers	Balance 31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted Funds	278	126	(136)	0	0	268
The Ted Gosling Fund	193	5	(29)	27	0	196
Unrestricted funds:						
General reserves	701	361	(648)	497	(241)	670
Designated reserves – 25 Anniversary	1,000	0	0	0	1,000	2,000
Designated reserves – Hopsice Support	2,383	0	0	0	(759)	1,624
Total funds	4,555	492	(813)	524	0	4,758

12 STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted funds	Restricted funds	Endow-ment funds	Total funds
		2023	2023	2023	2023
		£'000	£'000	£'000	£'000
INCOME					
Donations		403	145	0	548
Legacies		1	0	0	1
Investment income	2	101	0	5	106
Total income		505	145	5	655
EXPENDITURE					
Cost of generating funds	3	(183)	0	0	(183)
Investment management costs		(20)	0	(1)	(21)
		(203)	0	(1)	(204)
Charitable activities	4	(368)	(155)	(52)	(575)
Total expenditure		(571)	(155)	(53)	(779)
Net gains/(losses) on investments	7	(779)	0	12	(209)
NET MOVEMENT IN FUNDS		(263)	(10)	(60)	(333)
Total funds brought forward		4,347	288	253	4,888
Total funds carried forward		4,084	278	193	4,555

13 PENSION COMMITMENTS

The Charity made contributions to a defined contribution pension scheme for the benefit of nine employees. The pension cost charge represents contributions payable by the Charity of £25k (2022/23: £24k)

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 £4k were received directly from trustees (2022/23: £3k). These donations had no conditions attached to them.

A balance of £31k (2022/23: £30k) was due to MCF at year end.



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