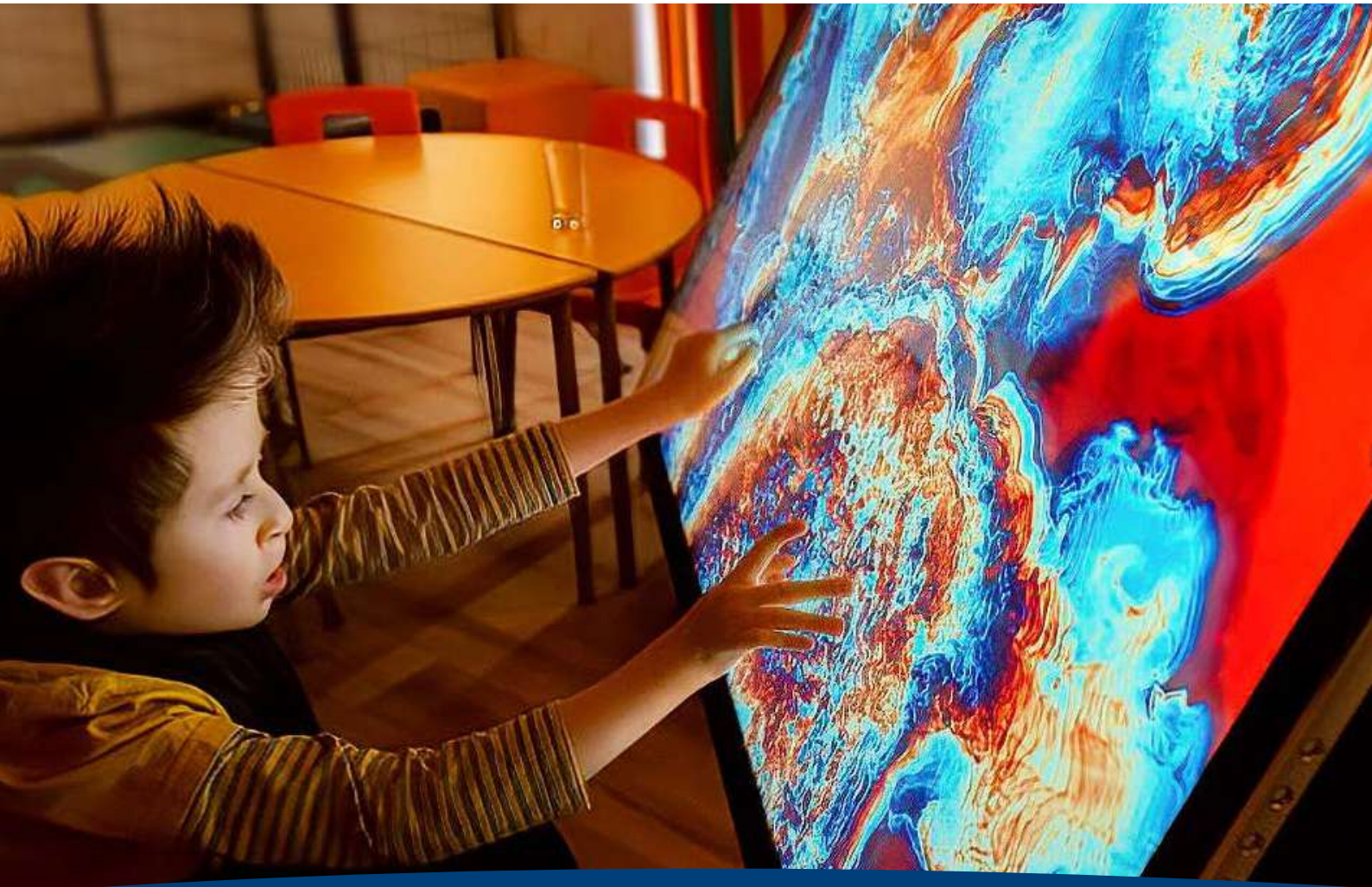




Strategic Impact Report

Trustees Annual Report & Financial Statements

For the year ended 31 March 2025



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Strategic Impact Report

Welcome

Lifelites is the only charity dedicated to providing cutting-edge assistive technology to empower children with life-limiting conditions and those living with medical complexity to communicate, connect, and engage with the world around them in new and exciting ways, sometimes for the very first time.

Every moment matters

Across the UK, an estimated 99,000 children live with life-limiting and life-threatening conditions – a number expected to rise sharply by 2030. Life for children and their families can be shaped by complexity and uncertainty. As a result, we know that families are determined to make every moment count.

So even though their lives may be short, children are children first and foremost – their childhoods should still be filled with connection, joy, and belonging.

Children's palliative care – meeting rising demand with innovation

Front line children's palliative care services are seeing demand and complexity increase year on year. Not only are more children needing care, but many are living longer with complex conditions that require highly specialised and resource-intensive support.

Despite these pressures, dedicated care teams continue to prioritise the children and families who need them most. Their commitment ensures that young people facing the most difficult challenges still have the chance to experience joy, connection, and comfort.

Lifelites plays a critical role in enabling this. By harnessing the power of assistive technology, we help these vital services to deliver higher quality care, opening doors to communication, creativity, and play that would otherwise remain closed.

And we are determined to do more.

25 years of changing lives

2025 marks our 25th anniversary. For a quarter of a century, Lifelites has been empowering children and young people living with complexity through innovative technology that brings creativity, connection, and joy.

In the past year alone, we reached more than **14,500 children** – in family homes, hospices and community settings. We forged new partnerships, including with The Joshua Tree, which supports children affected by cancer in the North-West.

We are unique. We are trusted. And we are ready to do more.

Children's hospices and beyond

Our technology breaks down barriers – giving children the chance to play, communicate, learn, and connect with those they love. These are not luxuries. They are fundamental to childhood.

Despite our growing reach, many of the 99,000 children who could benefit from our support still don't have access to this life-changing technology.





That's why in October 2024 we launched **Lifelites 25** – the boldest programme in our history. As the centrepiece of our strategy and anniversary celebrations, Lifelites 25 is a once-in-a-generation investment in children's palliative care. Its aim: to dramatically expand our reach and bring assistive technology to more children, in more settings, than ever before.

Applications for support from over 20 organisations poured in – from specialist schools, respite centres, children's cancer services, and NHS teams. In March 2025, the first seven partner organisations were selected, and installations began in the summer.

Raising our profile

Alongside this service expansion, we've made great strides in raising awareness. Our work was featured on **ITV News** and in the **Mirror newspaper**, bringing national attention to the transformative role technology can play for children with complex conditions. These stories have helped amplify the voices of the families we serve – and sparked new ideas, partnerships, and support.

Celebrating Lisa Shattock, Trustee

In June, we were deeply saddened by the death of Lifelites Trustee, Lisa Shattock, who had served on the Board since May 2022.

Lisa brought exceptional marketing and communications expertise to Lifelites, joining us at a pivotal time as we developed a new strategy, rebranded the organisation, and raised our ambition to reach more children with life-limiting conditions. Her insight, strategic thinking and constructive challenge has left a lasting impact on the direction of our work.

Building momentum

Our vision is simple but powerful: **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.**

We are grateful to all those people and organisations over the years who have contributed to our journey. We would not be here without our founders in Freemasonry, who have continued their support throughout.

Looking ahead, we're preparing to launch **Phase 2** of Lifelites 25, with a new round of applications opening in Autumn 2025. We're also developing **Lifelites Learning** – our new multi-channel training platform – and progressing discovery work for a **Family Hub**, to bring our expertise directly to children and families.

But to realise this vision, we must go further, faster. And we can't do it alone.

Fundraising remains a challenge, and now more than ever, we need both new and existing supporters to stand with us. Whether you choose to give, fundraise, volunteer, or share our story, your support can help bring connection and joy to a child who needs it most.

We hope this report leaves you inspired – and invites you to be part of something truly extraordinary.



Rob Lightfoot
Chief Executive



Tony Harvey
Chair of Trustees



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

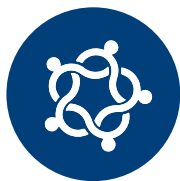
We harness innovative technology to empower all children and young people with life-limiting conditions, along with their families, to experience unforgettable moments of creativity, connection and joy.

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.



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.

2024/25 at glance



16
packages
of new
technology.



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



303
children's
palliative care
staff trained.



2,302
hours worth of
training delivered.

14,576

children and
young people
accessing
support.



10,545
miles travelled to
deliver installations
and training.



£847,000
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 technology helps children:

- **Communicate and connect** with family and carers
- **Engage with the world** independently and meaningfully
- **Strengthen family bonds** through shared play and experiences

Based on 2024/25 monitoring data from 51 of our 56 partners, it is evident that Lifelites' support has delivered life-changing outcomes for the children and families we support.

Improvement in emotional wellbeing

96% say children experience improved emotional wellbeing.



98%

Increased independence

98% report greater independence.





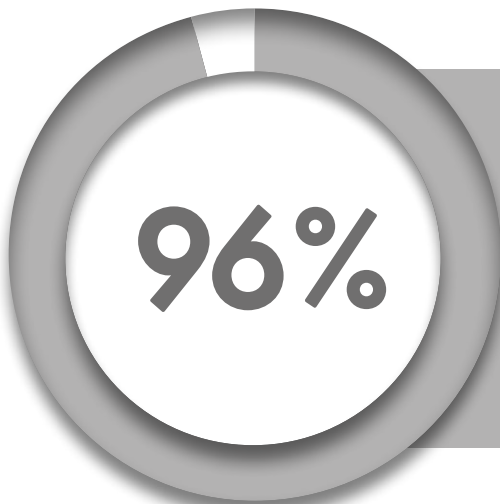
More resilient families

96% see stronger family relationships.



Reduction in social isolation

98% observe reduced isolation.



Enhancement of communication

96% note better communication, especially for non-verbal children.

“Lifelites technology is Savannah’s way of communicating. It has honestly brought the best out in her and makes her so much more determined to communicate and have fun with us.”

Jayde, Savannah’s mum





Gemma and Talia family story

Gemma is the mum of seven year old Talia, a vibrant, cheeky, all-action child who has used Lifelites technology at Alexander Devine Children's Hospice for the past five years.

“We’ve been using Lifelites technology since Talia was born!” says Gemma “It’s one of my first memories of her.”

Talia has CHARGE syndrome, a complex and rare genetic disorder which affects multiple systems in the body.

“Talia is profoundly deaf, she is peg fed, doesn’t follow verbal instructions and requires 24/7 care but she manages the technology really well.” says Gemma as she watches her daughter dash around on the interactive Magic Carpet with her brother.

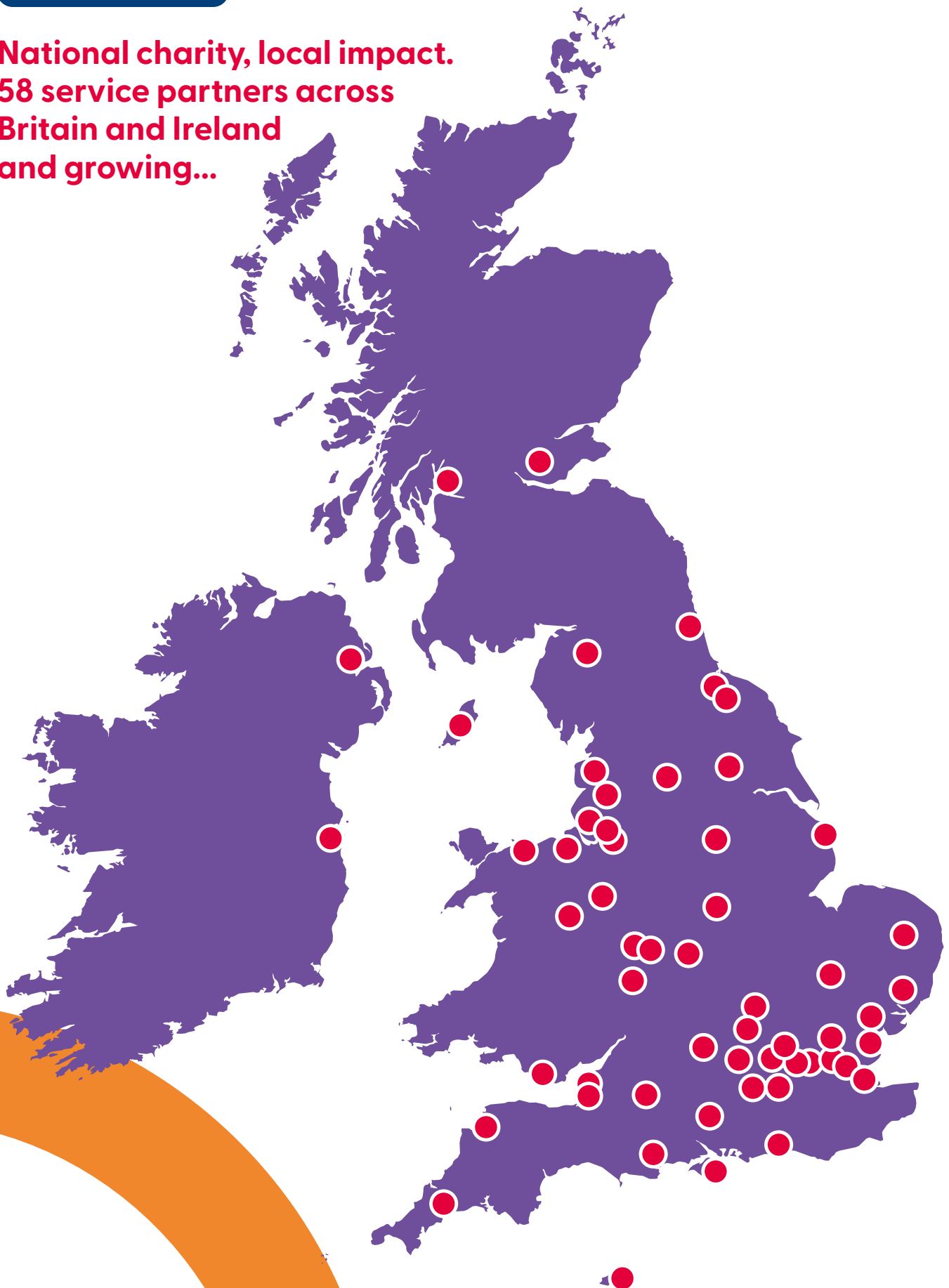
“The beauty of the Magic Carpet is that there’s so many options. She likes to navigate between the many, many games on there but her favourite is the football, which she loves to play with her two older brothers. It’s a good way for them to communicate and work together.”

As Talia gets older, her use of Lifelites technology has advanced, giving her more independence and opportunities to learn.

“We’ve noticed recently that she likes the Tilt and Touch Table. She really likes the games on there, and I’ve just noticed today that she’s been playing matching pairs. It’s pushing her abilities.”

Access

**National charity, local impact.
58 service partners across
Britain and Ireland
and growing...**



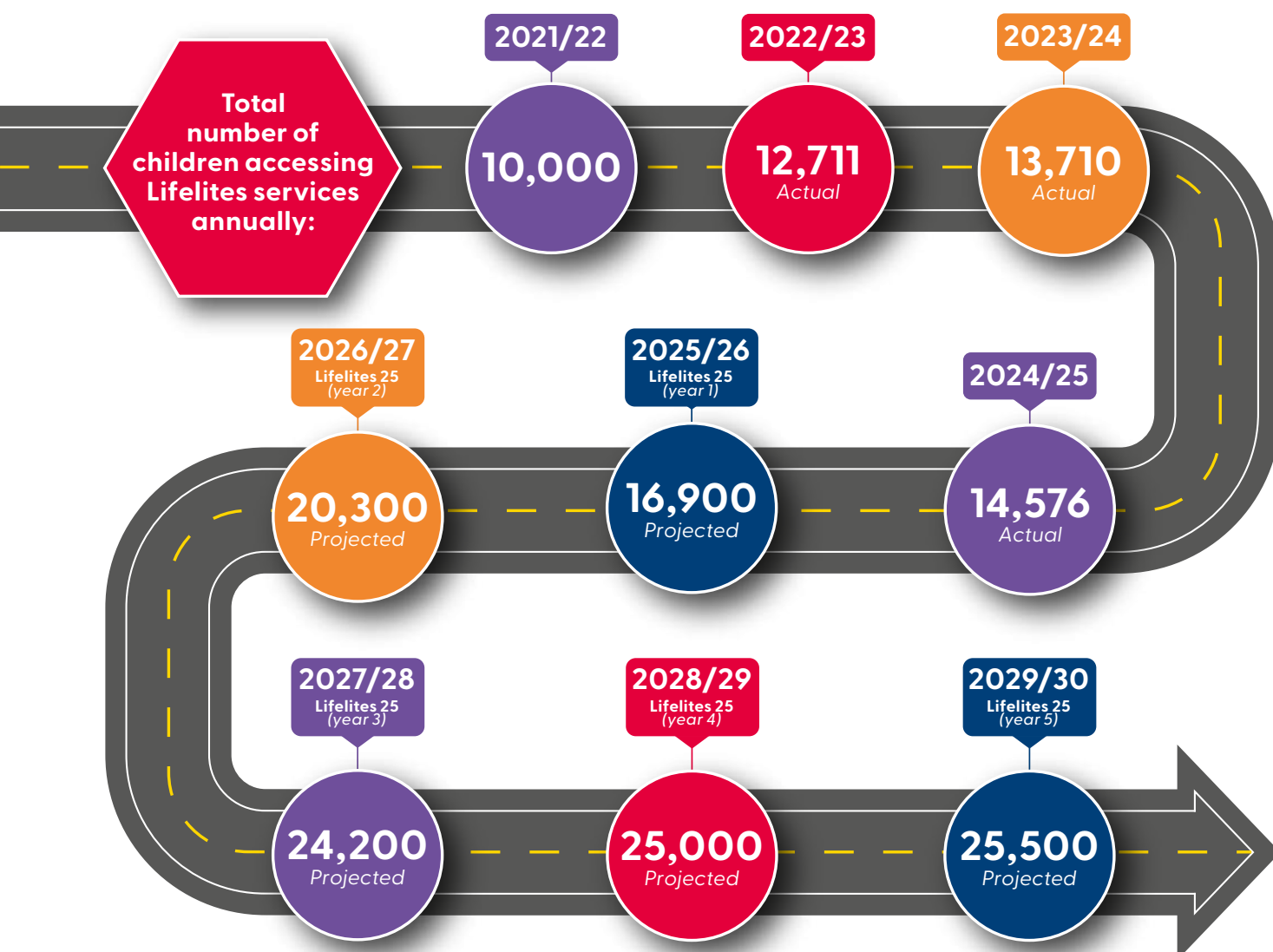
Proven delivery model: Efficient, scalable, trusted

Last year we supported **58 children's palliative care services**, reaching over **14,500 children**.

In a sector under pressure from increased demand and reduced resources, Lifelites is determined to enhance and grow our services to increase access to our life-changing technology and unique expertise.

By 2030, we aim to:

- **Double our reach** to support over **25,000 children annually**
- **Expand beyond hospices** to include specialist schools, respite centres, and home-based services
- **Launch Lifelites Learning**, a new training platform for professionals and families
- **Introduce a Family Support Hub**, giving carers direct access to tools, knowledge, and advice.



Lifelites 25

Reaching new communities, changing more lives

In Autumn 2024, Lifelites launched our most ambitious programme to date – **Lifelites 25** – designed to expand our reach beyond hospices and bring assistive technology to more children with life-limiting conditions, wherever they are.

After a rigorous application process, **10 inspiring projects** were shortlisted. From 10 March, the public cast more than **4,500 verified votes**, selecting **three winning projects**. A further **four organisations** were chosen by our independent panel for their innovation, reach, and impact.

Tracy Rennie, Lifelites Trustee & Chair of the Lifelites 25 Committee, said:

“**It wasn't easy choosing from ten great projects but we are delighted that the four chosen, along with 3 voted by the public, will help us to achieve our aspiration to reach more children wherever they may be – at home, school, hospital or short break settings as well as hospices.**

Children are children first and foremost and these innovative and exciting projects will enable even more children to play, connect and have joyful experiences with those special to them – their brothers, sisters, parents, wider family and their friends.”

With installations commencing in May 2025, together, the selected organisations represent a powerful step forward in our mission to ensure **more children, in more places**, can access the joy, connection, and opportunity that inclusive technology brings.



The seven Community Project winners

Voted by the Public:

- **St Elizabeth Hospice (Zest), Ipswich** – Supporting young adults transitioning from children's to adult care.
- **Swings and Smiles, Berkshire** – Creating inclusive play opportunities for children with disabilities.
- **Rainbow Hub, Lancashire** – Delivering specialist support and therapy for children with physical disabilities.

Selected by the Lifelites 25 Committee:

- **Ryegate House, Sheffield** – Providing short breaks and assessment for children with neurological conditions.
- **St Ann's School, London** – A specialist school supporting pupils with profound and multiple learning difficulties.
- **Grace Kelly Childhood Cancer Trust, Worcestershire** – Helping children with cancer stay connected to school and friends through AV1 robots and iPads.
- **OmniMusic, Greater Manchester** – Bringing accessible music technology to children with profound disabilities.

EJ Trivett, CEO of OmniMusic, said:

“OmniMusic are delighted to receive this fantastic support of assistive music technology from Lifelites. These specialist instruments will enable us to reach more children and young people with profound disabilities and life-limiting conditions across Greater Manchester; ensuring that they too get to make their mark on Manchester's music legacy.”

The launch of Lifelites 25 marks a bold new chapter. With more phases ahead, and more communities to support, **we are only just beginning.**

Side by Side: The power of collaboration

With the addition of our new Lifelites 25 projects, we will now partner 65 children's hospices and other care and education services across Britain and Ireland to deliver tailored packages of equipment, expert training, and four years of ongoing support - completely free of charge.

Children's palliative care services are under growing pressure. Hospices are facing critical staff shortages. Specialist teams are stretched thin. And while medical advances mean some children are living longer, this brings a new complexity - longer, more intensive care needs that many services are not equipped to meet.

Over the last 12 months Lifelites has worked **side by side with every children's hospice** and a growing number of other services to harness the incredible power of assistive technology to improve the lives of children, young people and their families.

Collaboration is at our core and we have been proud to serve the children's palliative care sector, enhancing the care and support our partners provide.

Our impact is evidenced not only through powerful monitoring data but feedback from our partners, children and families.

Together, we can bring connection, communication, and joy to thousands more children because every child should have the chance to live as fully as possible.



“The Cosmo switches have been very well received by a wide range of children. One example; we used the switches for a large group of young people with vast spectrum of abilities. The musical switch app joined everyone socially. To find a piece of equipment which suits everyone has been previously has been very difficult.”

Little Havens Children's Hospice

“The support from Lifelites has always been exceptional. The response time to any questions we've had has been very quick.”

Charlton Farm,
Children's Hospice
South West

“Lifelites has benefitted every day life here at the hospice. We have been able to give children a sense of independence and empowerment from your training us and allowing us to have some amazing equipment. You go above and beyond to ensure that we as staff are happy and make us go away confident and excited to use new equipment.”

Claire House Children's Hospice

“I cannot express enough how amazing having Lifelites in our little hospices life has made such an amazing impact...absolutely awesome.”

Butterwick Children's Hospice

“Lifelites technology has greatly enhanced the care we offer at Noah's Ark Children's Hospice, providing our teams with accessible, engaging tools that support communication, play, and sensory experiences for children with complex needs.”

Noah's Ark Children's Hospice

“Using Eyegaze, our children who are non-verbal have been able to communicate with us... this is incredible as the things they tell us are absolutely amazing.”

Butterwick Children's Hospice

2024-25 Performance - Strategy enablers

Income

Income from fundraising in the year increased on 2023/24 performance but fell short of the target we had set. The conditions for fundraising became even more challenging, with competition fierce and seismic changes in the funding landscape.

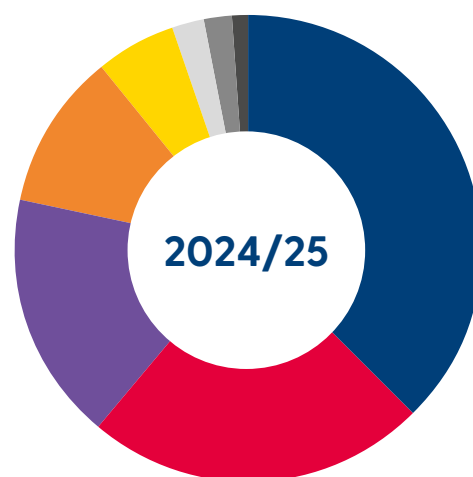
Despite our growth being slower than projected, we remain optimistic about the long-term income diversification programme which is at the heart of our strategy.

Thank you

We are incredibly grateful to all the new and existing supporters who chose to provide funding for Lifelites in the year. We recognise that competition for funding is fierce, whether you are an individual or an organisation. Without your support our service achievements would not be possible and we are privileged to stand alongside supporters who are as passionate about delivering our ambitious Vision for the future as we are.

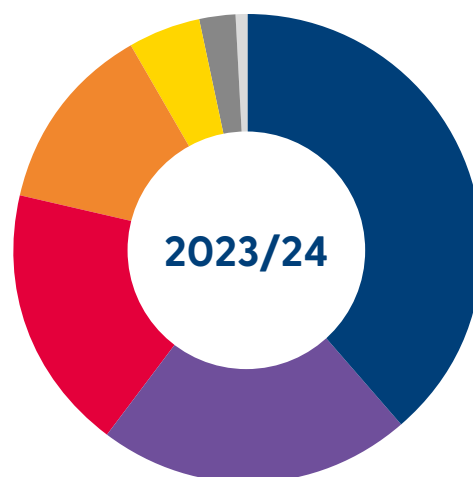
Income source 2024/25

Charitable Trusts	202,000
Community inc. Freemasonry	127,000
Investment income	92,000
Corporate	57,000
Individual Giving	31,000
Events	12,000
Gift-in-Kind	10,000
Legacies	5,000
Total	536,000



Income source 2023/24

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





Expenditure

During the year, despite the challenging fundraising climate the Charity honoured all its funding commitments to our children's palliative care partners. The deficit between income and expenditure increased but this was planned. The planned deficit is set to continue throughout the period of the strategy as our long-standing reserves are re-structured and invested 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.

Expenditure Source	2024/25	2023/24
Equipment, installation and technical support	471,000	349,000
Partner support and service management	376,000	259,000
Generating income	314,000	185,000
Investment management	20,000	20,000
Total	1,181,000	813,000

Awareness & Influence

Brand performance within the year was a major success with Lifelites' national media profile increasing substantially. The Charity was featured on ITV news and in the Mirror newspapers, along with a large number of features in industry and regional media. Performance of our new website and social channels grew significantly across the year through leverage of the Lifelites 25 programme and our 25 Voices series.





Governance

The governance of the Charity is now on a more stable footing following a comprehensive review and action plan in 2023/24. Within the year, the Board created a new committee to oversee the development and delivery of the Lifelites 25 programme. A further governance review is planned for 2025/26, which will identify additional best practice benchmarks and opportunities to develop Lifelites' governance further.

People

During the year we recruited talent to services, fundraising and communications teams, all of whom have added significant value to our experienced team. Our first staff survey gave high satisfaction score with all staff reporting their pride in working for Lifelites and 88% recommending Lifelites as a great place to work. Some areas for improvement around cross-departmental communication were identified and a series of team workshops and internal communications activities were implemented to improve collaboration. A second survey was launched in June 2025 with results due to be reviewed in July.

Future plans

Celebrating Lifelites at 25

Our 25th anniversary programme will continue in earnest with installations of the latest sensory and assistive technology to commence for our seven newest partners in Summer 2025. We will be launching **Phase 2 of Lifelites 25**, inviting new applications from qualifying children's palliative care services from Autumn 2025.

We're also developing **Lifelites Learning**, our brand new multi-channel training programme designed to empower care professionals, educators, and families with the confidence and skills to make the most of assistive technology for children and their families. Through expert-led workshops, on-demand digital resources, and hands-on support, Lifelites Learning will ensure that our life-changing technology doesn't just reach more children – it's used in ways that truly transform their lives.



We are also progressing discovery work for a **Family Hub**, a new digital initiative in development, designed to bring our expertise directly to families of children with life-limiting conditions. It will offer accessible, family-friendly guidance on using assistive technology at home – including tutorials, tips, and personalised support – helping parents and carers discover new ways for their children to play, communicate, and connect.

Building a Sustainable Future

Increasing brand awareness and diversifying our income are central pillars of Lifelites' long-term strategy.

To achieve our ambition of reaching more children we must scale and broaden our funding base. This year, we are continuing to invest in our **income diversification programme**, with a particular focus on developing high-impact **philanthropy, legacy, corporate, and individual giving** streams.

We are also enhancing our approach to **donor recognition and retention**, ensuring supporters at every level feel valued, inspired, and connected to our Mission. Our **Christmas Appeal** will play a pivotal role in engaging new donors, while the launch of **25 Voices** – a campaign sharing powerful stories from those whose lives have been touched by our work – will bring our impact to life and deepen emotional engagement.

Our **25th anniversary** provides a once-in-a-generation opportunity to celebrate what we've achieved, invite more people into our community, and build a lasting sense of belonging and belief in our future.

We recognise that long-term, sustainable income growth requires time, resource and focused investment. That's why our Trustees have established a **designated fund** to support this work – enabling strategic investment in **brand awareness, income diversification, relationship management**, and the long-term sustainability of Lifelites.



Trustees Annual Report

Report and Accounts of the Trustees of Lifelites for the year ended 31 March 2025

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 2025.

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

Nando Caicedo, FCIPD, FCMI, MloD, MloL
(appointed 12 March 2025)

Helen Fleming (appointed 21 July 2025)

Tony Harvey, FLPI, FloL, FCMI, FCIPD, FRSA

Chair of the Board of Trustees

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

Jon Mentell (appointed 12 March 2025)

Tracy Rennie, RGN/RSCN. MBA

Lisa Shattock (resigned 2 June 2025)

Tim Sherwood

Treasurer

Kieran Stewart, FBCS, CITP

Howard Wilson

Mike Woodcock, JP, DLitt, CIntMC
(retired 28 February 2025)

Shai Umradia (resigned 28 February 2025)

Lifelites Executive

Rob 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; a Lifelites 25 Committee to oversee the development and delivery of the Lifelites 25 programme; 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.

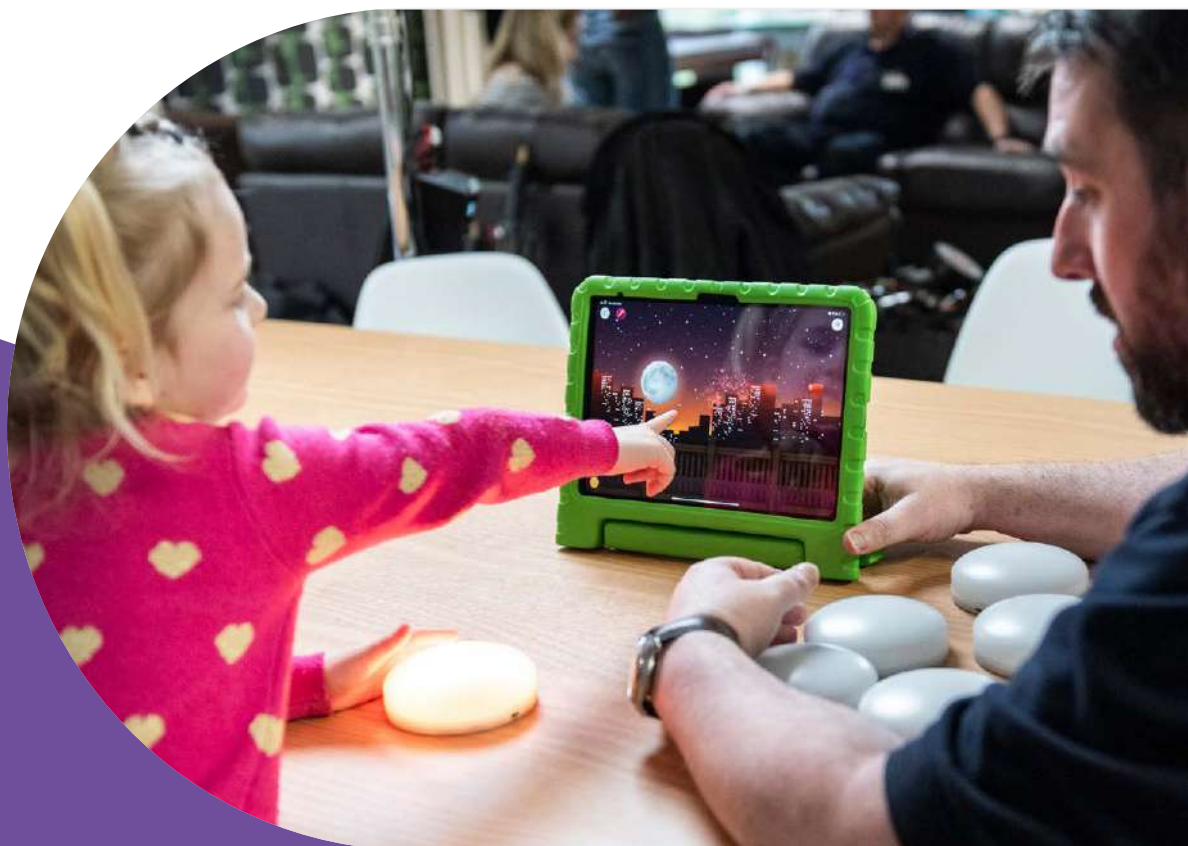
Principal Risks

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.

At the time of signing this report, the Trustees identified the principle risks rated at high after existing controls and with details of further actions as follows:

Risk Details	Impact	Existing Controls	Further Action
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 developed Roles, responsibilities and resources allocated PR consultant recruited Content plan finalised	Execute campaign comms plan to align L25, brand awareness, fundraising and business as usual activities
Trustees & staff burnout	Individuals not able to perform roles Lack of leadership Service delivery disruption Loss of key personnel	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	Trustee recruitment required FCC Chair succession planning

Risk Details	Impact	Existing Controls	Further Action
Inadequate use of fundraising database	Service disruption Funding relationships damaged Data protection breach Loss of data High expenditure to resolve Failure to capitalise on fundraising investment	Data migration completed Database configuration completed Initial training completed	More in-dept staff training Utilise automation features Adopt full utilisation of donor management modules, research and stewardship features
Lack of income diversity	Poor longer-term sustainability Reduced service impact Depleting reserves Long-term shutdown potential	Major fundraising development programme underway Monthly income projections High prioritisation on research, engagement and stewardship Brand awareness programme Digital fundraising development	Ongoing diversification strategy worked through Targetted high value fundraising programme underway Lottery product being explored Existing donor recognition programme





Fundraising Standards

Lifelites is a member of the Fundraising Regulator and 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.



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 with life-limiting conditions across a range of hospice, education and community settings. As such, the Trustees are satisfied that the requirements of the public benefit test are being met.

Objectives and Activities

Lifelites is the **only charity** dedicated to providing assistive and sensory technology to children with life-limiting conditions.

Our technology breaks down the barriers that disability creates - giving children the chance to communicate, play, learn, and connect with the people they love. These are not luxuries - they are fundamental.

Within 2024/25 we partnered with 58 children's hospices and other care and education services across Britain and Ireland to deliver tailored packages of equipment, expert training, and four years of ongoing support - completely free of charge.

Empowering children, families and care teams

Our work creates impact on multiple levels:

- **For children**, it means the freedom to express themselves, explore the world, and experience joy.
- **For families**, it offers shared experiences and precious memories that may otherwise never happen.
- **For professionals and care teams**, it means confidence, efficiency, and tools that enhance care delivery.



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 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 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

The Charity benefits from support from volunteers serving 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

Moving into the second year of the 2023–30 Strategy, the Charity showed progress against the longer-term income diversification and sustainability plans. However, the climate for fundraising continued to be challenging and investments into Lifelites strategic objectives resulted in a deficit for the year, which was planned but larger than expected.

During the 12 months to 31 March 2025, donations and legacies amounted to £444k (2023/24 £384k), a increase of 16%, which demonstrates progress against the wider plan. Investments generated income of £92k (2023/24 £108k) and investment gains of £24k (2023/24 gains £524k). Larger gains were forecast but the volatile global economic climate at the end of March significantly reduced these projected gains.

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 £847k (2023/24 £608k). Expenditure on the cost of generating income was £314k (2023/24 £185k) and the investment management costs were £20k (2023/24 £20k).

As at 31 March 2025, there was an operational loss of £645k but gains on investments of £24k reduced the net movement of funds to £621k leaving residual funds to the value of £4,137k (31 Mar 2025 £4,758k).

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

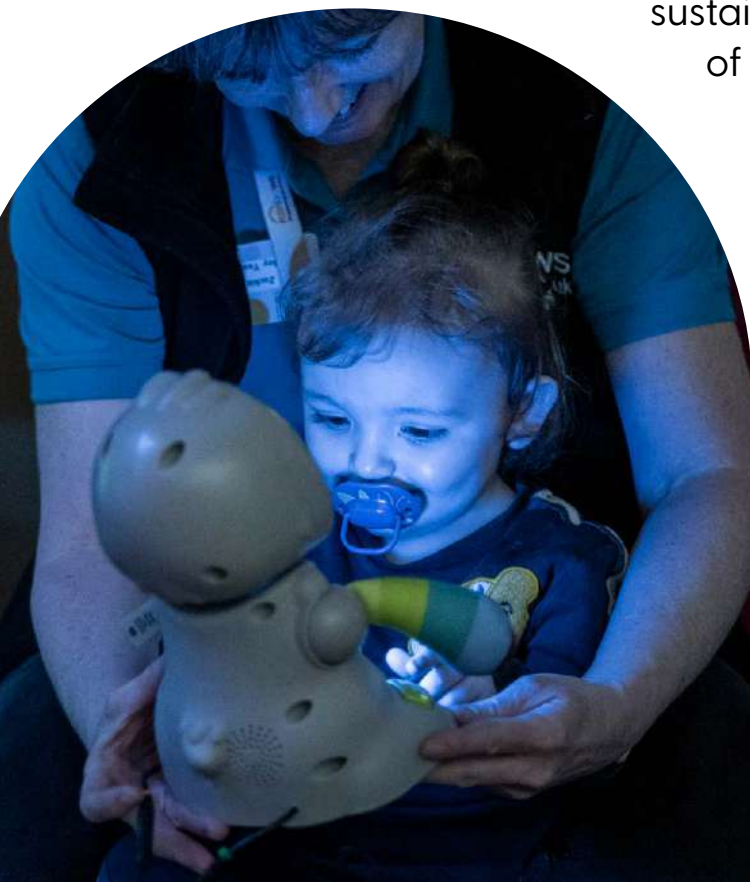
The pay of charity staff and key management personal is reviewed annually and any changes suggested are discussed and approved by the Trustees. Lifelites Performance and Remuneration Policy seeks to benchmark pay competitively within the sector whilst also rewarding staff performance.

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 understand their obligations towards 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 and it is expected that transfers between designated funds will occur as the plan progresses.

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 2030.

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 2025	4,137
Restricted funds	
<i>Restricted funds</i>	174
<i>Endowment – The Ted Gostling Fund</i>	172
Designated funds	
<i>Financial Impact of Risk</i>	385
<i>Service Continuity</i>	520
<i>Sustainability</i>	358
<i>Lifelites 25</i>	1,843
Unrestricted funds	
<i>Total free reserves</i>	685



Investment Policy and Performance

Lifelites in its close working relationship with the MCF is a participating member of MCF group’s global investment strategy which seeks to protect the capital value of investments that are required to fund operations for a two-year time horizon (the “Cash Reserve”) and to invest all remaining funds for long term growth, on a total return basis, with an overall objective of making a return of CPI plus 4.5% net of all expenses.

The Cash Reserve is provided by Royal London Asset Management and utilises three of their funds, which provide a mix of instruments, including cash instruments, Treasury Bills, covered (secured) bonds, corporate bonds, Supranationals and mortgage-backed securities. The performance objectives of the three funds are:

Short Term Money Market Fund:	SONIA
Short Term Fixed Income Fund:	SONIA plus 0.50% gross of fees
Short Term Fixed Income Enhanced Plus Fund:	SONIA plus 1.00% gross of fees

The launch of the Masonic Charitable Foundation Investment Fund CAIF took place on 1st October 2018. This is a unit trust with a highly efficient tax wrapper in which the Charity and several of its subsidiary charities own their shares in the form of units. Lifelites 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 Lifelites 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.

The strategic and actual asset allocations as at 31st March 2025 are shown in the following table:

Asset Class	Strategic Allocation	Benchmark	Actual 31st March 2025
Cash	0.00%	SONIA	4.78%
Fixed Income	7.50%	FTSE UK World Gov. Bond Index GBP	5.92%
International Equity	54.50%	MSCI World ex UK NR GBP	65.47%
U.K. Equity	18.00%	MSCI UK Equity NR GBP	12.79%
Emerging Market Equity	12.50%	MSCI Emerging Markets Equity NR GBP	3.42%
Alternative Investments	3.75%	HFRX Global Hedge Fund GBP	6.73%
Property	3.75%	IA UK Direct Property TR	0.89%
	100.00%		100.00%

In order to balance property exposure across the MCF investment group, one participating member also made direct investments into the CCLA property fund which Lifelites at this stage is content to not have exposure to.

Performance under the new arrangements is shown in the following table:

	MCF CAIF	RLAM Money Market	RLAM Short Term Fixed Income	RLAM Short Term Fixed Income Enhanced
Fund at 31st March 2025	£3,867k	£42k	£43k	£32k
Investment approach	Steady Growth Multi-Asset	Capital Protection	Capital Protection	Capital Protection
Benchmark	Composite	SONIA	SONIA	SONIA
Peer Group	ARC Charity GBP Steady Growth	None	None	None
Return for the year	3.80%	5.23%	5.54%	5.81%
Benchmark return for year	5.50%	4.90%	4.90%	4.90%
Peer group return for year	3.00%	4.40%	4.40%	4.40%
3-year return	18.40%	13.45%	14.10%	14.09%
3-year benchmark	19.80%	12.57%	12.57%	12.57%
3-year peer group	8.10%	2.90%	2.90%	2.90%

Stock markets suffered a collapse in the final month of the financial year following the imposition of tariffs by the USA, resulting in an increase in the valuation of the MCF CAIF from its opening value of £146.47 to close at £149.99 per unit after reaching a high point of £161.77 in early February.

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.

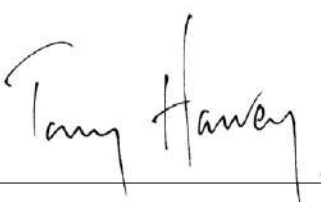


Disclosure of information to auditors

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  10 September 2025

Tony 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 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 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 noncompliance 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: *Kreston Reeves LLP*

Date: 22 September 2025

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 2025

(Including an Income and Expenditure Account)

	Note	Unrestricted funds	Restricted funds	The Ted Gosling funds	Total funds	Total funds
		2025	2025	2025	2025	2024
		£'000	£'000	£'000	£'000	£'000
INCOME						
Donations		255	184	0	439	384
Legacies		5	0	0	5	0
Investment income	2	88	0	4	92	108
Total income		348	184	4	536	492
EXPENDITURE						
Cost of generating funds	3	(314)	0	0	(314)	(185)
Investment management costs		(19)	0	(1)	(20)	(20)
		(333)	0	(1)	(334)	(205)
Charitable activities	4	(540)	(278)	(29)	(847)	(608)
Total expenditure		(873)	(278)	(30)	(1,181)	(813)
Net gains/(losses) on investments	7	22	0	2	24	524
NET MOVEMENT IN FUNDS		(503)	(94)	(24)	(621)	203
Total funds brought forward		4,294	268	196	4,758	4,555
Total funds carried forward		3,791	174	172	4,137	4,758

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

The notes on pages 53 to 64 form part of these financial statements.

The prior year figures are analysed by fund in note 12 on page 64.

Balance sheet

YEAR ENDED 31 MARCH 2025

	Note	2025 £'000	2024 £'000
FIXED ASSETS			
Intangible asset	6	94	67
Tangible asset	6	4	28
Investments	7	3,867	4,230
		3,965	4,325

CURRENT ASSETS

Debtors	8	55	143
Investments	7	117	111
Cash at bank and in hand		87	248
		259	502

CURRENT LIABILITIES

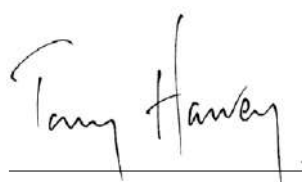
Creditors falling due within one year	9	(87)	(69)
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NET CURRENT ASSETS		172	433
Total net assets		4,137	4,758
		4,137	4,758

CHARITABLE FUNDS

Restricted income funds	10, 11	174	268
The Ted Gosling Fund	10, 11	172	196
Unrestricted funds			
Designated reserves	10, 11	1,263	1,624
Designated reserves 25 Anniversary	10, 11	1,843	2,000
General reserves	10, 11	685	670
Total charitable funds		4,137	4,758

The financial statements were approved and authorised for issue by the Trustee Board on 10 September 2025 and signed on their behalf by:



Tony Harvey - Chair



Tim Sherwood - Treasurer

The notes on pages 53 to 64 form part of these financial statements.

Cash flow statement

YEAR ENDED 31 MARCH 2025

		2025 £'000	2024 £'000
Operating Activities			
Net cash provided by/(used in) Operating Activities	A	(684)	(506)
Cash flows from investing activities			
Dividends, interest and rents from investments		92	108
Purchase of intangible fixed assets		(34)	(46)
Purchase of tangible fixed assets		0	(5)
Disposal of intangible fixed assets		15	0
Proceeds from the sale of investments		450	570
Purchase of investments		0	0
Net cash provided by/(used in) Investing Activities		523	627
Change in cash and cash equivalents in the reporting period		(161)	121
Cash and cash equivalents at the beginning of the reporting period		248	127
Cash and cash equivalents at the end of the reporting period	B	87	248

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	(621)	203
Adjustments for:		
Depreciation charges	16	14
Dividends, interest and rents from investments	(92)	(108)
Movements in investments	(93)	(609)
(Increase)/decrease in debtors	88	(7)
Increase/(decrease) in creditors	18	1
Net cash provided by/(used in) Operating Activities	(684)	(506)

B Analysis of cash and cash equivalents

Cash held by investment managers	0	0
Cash at bank and in hand	87	248
Total cash and cash equivalents	87	248

Notes to the financial statements

YEAR ENDED 31 MARCH 2025

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 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 and Computer Software, 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 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 software is depreciated using the straight-line method to allocate the cost of each asset less its residual value over its estimated useful life of four years.

Corporate Rebranding is depreciated 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 of four years.

(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	Endowment funds	Total funds	Total funds
2025	2025	2025	2025	2024
£'000	£'000	£'000	£'000	£'000

2 INVESTMENT INCOME

Interest on bank deposits	3	0	0	3	3
Income from investment portfolios	85	0	4	89	105
	88	0	4	92	108

3 COST OF GENERATING FUNDS

Salaries, NI and pension contributions	184	0	0	184	115
IT, printing, stationery and advertising	78	0	0	78	65
Travel expenses	2	0	0	2	1
Professional Fees	49	0	0	49	4
Staff training, conferences, subscriptions & staff costs	1	0	0	1	0
	314	0	0	314	185

4 CHARITABLE ACTIVITIES

Supply of equipment and technologies for use by beneficiaries	171	271	29	471	349
Service support and training:					
Salaries, NI and pension contributions	238	7	0	245	200
IT, printing, stationery, postage and telephone	27	0	0	27	7
Travel expenses	17	0	0	17	16
Publicity	36	0	0	36	0
Professional fees	17	0	0	17	11
Staff training, conferences, subscriptions & staff costs	20	0	0	20	9
Sundry expenses	4	0	0	4	8
Audit fee	10	0	0	10	8
	369	7	0	376	259
	540	278	29	847	608

	2025 £'000	2024 £'000
5 STAFF COSTS		
Wages and salaries	361	267
Social security costs	33	23
Pension contributions	35	25
	429	315

AVERAGE NUMBER OF STAFF

Generating funds	5	3
Charitable activities	4	4
	9	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 £90k (2024: £85k). No trustees received remuneration during the year (2024: £Nil). Trustees received payment for travel and subsistence expenses during the year totalled £2k (2024: £1k).

Branding & Computer Software	Computers, Equipment & Furniture	Total
£'000	£'000	£'000

6 INTANGIBLE AND TANGIBLE FIXED ASSETS

Cost

Balance at 31 March 2024	70	49	119
Additions	34	0	34
Disposals	0	(33)	(33)
Balance at 31 March 2025	104	16	120

Amortisation / Depreciation

Balance at 31 March 2024	3	21	24
Charge for the year	7	9	16
Disposals	0	(18)	(18)
Balance at 31 March 2025	10	12	22

Net book value

At 31 March 2025	94	4	98
At 31 March 2024	67	28	95

2025	2024
£'000	£'000

7 INVESTMENTS

Fixed Asset Investments:

- Managed Funds

MCF CAIF	3,867	4,230
	3,867	4,230

Current Asset Investments

- RLAM

	117	111
	117	111
	3,984	4,341

MOVEMENTS IN INVESTMENTS

Listed

Balance at 1 April 2024	4,341	4,302
Additions	0	0
Disposals	(450)	(570)
Investment income reinvested	89	105
Management fees charged to the fund	(20)	(20)
Gains/(losses)	24	524
Balance at 31 March 2025	3,984	4,341

RECONCILIATION TO SOFA

Gains/(losses) on listed investments	24	524
	24	524

8 DEBTORS

Prepayments and accrued income	55	143
	55	143

9 CREDITORS

Falling due within one year

Amounts owed to MCF	45	31
Accruals and deferred income	28	14
Taxation and social security	10	8
Other creditors	4	16
Balance at 31 March 2025	87	69

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £'000	Investments £'000	Money Market Deposits £'000	Current Assets £'000	Current Liabilities £'000	Total Funds £'000
ASSETS AND LIABILITIES						
Restricted funds	0	0	87	87	0	174
Endowment funds						
The Ted Gosling Fund	0	172	0	0	0	172
Unrestricted funds						
Designated reserves	0	1,263	0	0	0	1,263
Designated reserves 25 Anniversary	0	1,843	0	0	0	1,843
General reserves	98	589	0	85	(87)	685
Total funds	98	3,867	87	172	(87)	4,137

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 59 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 pages 35 to 37 of the Trustees Report. The Trustees monitor reserve levels periodically and take remedial action where necessary to ensure levels comply with the policy. As part of this policy £419k was transferred from designated reserves to unrestricted general reserves to reflect changes to expected expenditure from the designated reserves.

	Balance 31 March 2024 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance 31 March 2025 £'000
Restricted Funds	268	184	278	0	0	174
The Ted Gosling Fund	196	4	30	2	0	172
Unrestricted funds:						
General reserves	670	348	774	22	419	685
Designated reserves – 25 Anniversary	2,000	0	57	0	(100)	1,843
Designated reserves – Hopsice Support	1,624	0	42	0	(319)	1,263
Total funds	4,758	536	1,181	24	0	4,137

12 STATEMENT OF FINANCIAL ACTIVITIES

(Including an Income and Expenditure Account)

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds
PERIOD ENDED 31 MARCH 2024		2024	2024	2024	2024
		£'000	£'000	£'000	£'000
INCOME					
Donations		258	126	0	384
Legacies		0	0	0	0
Investment income	2	103	0	5	108
Total income		361	126	5	492
EXPENDITURE					
Cost of generating funds	3	(185)	0	0	(185)
Investment management costs		(19)	0	(1)	(20)
		(204)	0	(1)	(204)
Charitable activities	4	(444)	(136)	(28)	(608)
Total expenditure		(648)	(136)	(29)	(813)
Net gains/(losses) on investments	7	497	0	27	524
NET MOVEMENT IN FUNDS		210	(10)	3	203
Total funds brought forward		4,084	278	193	4,555
Total funds carried forward		4,294	268	196	4,758

13 PENSION COMMITMENTS

The Charity makes contributions to a defined contribution pension scheme for the benefit of nine employees. The pension cost charge represents contributions payable by the Charity of £35k (2024/25: £25k)

14 RELATED PARTY TRANSACTIONS

Financial services, Human Resources and office facilities are provided by the Masonic Charitable Foundation at a full year cost of £54k per annum (2023/24 £0k)

Donations of £3k were received directly from trustees (2023/24: £4k). These donations had no conditions attached to them.

A balance of £45k (2023/24: £31k) was due to MCF at year end.



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