



Giving kids with limited life unlimited possibilities

LIFELITES
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2009
REGISTERED CHARITY NUMBER 1115655

Report and Accounts of the Trustees of Lifelites for the year ended 31 December 2009

In accordance with statutory requirements and the Statement of Recommended Practice 2005, the Trustees of Lifelites submit their report for the year ended 31 December 2009.

1. Administrative Information

Name and Registered Office of the Charity

The name of the charity is Lifelites.

The registered office is 26 Great Queen Street, London, WC2B 5BL.

The charity number is 1115655.

Constitution

Lifelites was established as a charity by a Deed of Trust ("the Trust Deed") dated 3 November 2005 which was amended by supplemental deed dated 27 July 2006 and was granted charitable status by the Charity Commission on 2 August 2006.

Lifelites Trustees

Mike	Woodcock	<i>From 3rd December 2009</i>
Malcolm	Aish	<i>From 3rd December 2009</i>
Jeremy	Aspden *	
Christopher	Aylwin *	<i>Retired 2nd November 2009</i>
Michael	Codd	<i>From 3rd December 2009</i>
Robert	Cook *	<i>Retired 3rd December 2009</i>
Keith	Emmerson	<i>From 3rd December 2009</i>
Nicolas	Hart	<i>From 3rd December 2009</i>
Colin	Knight *	
Jonathan	Knopp	<i>From 18th February 2010</i>
John	Martin *	
Andrew	Ross *	
Christopher	White *	

* Member of the Lifelites Management Committee

Christopher Aylwin served as Chairman of the Trustees until 2nd November 2009. Andrew Ross served as Chairman of the Trustees from 2nd November 2009 to 10th February 2010. Mike Woodcock was appointed Chairman of the Trustees on 10th February 2010. Andrew Ross was appointed Chairman of the Lifelites Management Committee on 10th February 2010.

Lifelites Executive

Simone	Enefer-Doy	Chief Executive
Les	Hutchinson	Secretary to the Trustees (<i>From 10th February 2010</i>)

Other Relevant Addresses

Auditor: Spofforths 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: Speechly Bircham, 6 St Andrew Street, London EC4A 3LX

2. Structure, Governance and Management

Governing Document - Lifelites originated in 1999 as a project of the Royal Masonic Trust for Girls and Boys (RMTGB) registered charity number – 285836 to mark the new millennium. Lifelites is now a separate charity governed by its own Trust Deed. The Trust Deed sets out the objects 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 – The Trustees act independently and are custodians of Lifelites funds. For statutory purposes, the Trustees are charity trustees. Trustees are appointed by resolution of the Council of the RMTGB and in most cases are serving members of the Council of the RMTGB. The number of Trustees must not be less than three. The Trust Deed makes provision for the retirement and removal of Trustees. A retiring Trustee who continues to serve as a member of the Council of the RMTGB is eligible for re-election.

Induction and Training of new Trustees - It is the policy of Lifelites to provide appropriate induction and training to new Trustees. Every Trustee is encouraged to contribute effectively to the governance and fundraising of the charity.

Committees - The Trustees have the power to delegate their functions to committees, provided that any such committee must comprise two or more persons and that at least two of the members of any such committee are Trustees. The Trustees have appointed a Management Committee to oversee day to day activities and make policy recommendations to the Trustees.

In the light of developments in technology the Trustees have, in addition, established a Technical Advisory Committee to continually reassess the technology provision for children in hospices and in the process to ensure best practice and value for money.

Risk Management - The Trustees periodically review the operational, financial, regulatory, legal and strategic risks affecting Lifelites, and Lifelites' risk management procedures. Appropriate measures to mitigate the effects of identified risks are in place and remain under review.

3. Public benefit

The Trustees have had due regard to guidance published by the Charity Commission on public benefit. The primary purpose of Lifelites is to provide technology and related services for children in any children's hospice without prejudice, with the intention of enhancing their lives.

4. Objectives and Activities

Lifelites provides recreational and educational technologies, including broadband access and equipment for those with special educational needs, for children in hospices.

Lifelites also provides training for hospice staff in the use of this equipment as well as a helpline and on-site technical support.

To enable children in hospices to benefit from the provision of a range of technologies for recreational and educational purposes, Lifelites continues to explore ways of updating and adding value, looking at new equipment and services for inclusion within the existing technology package.

5. Role and Contribution of Volunteers

Lifelites technical volunteers - Lifelites recruits and maintains volunteers at most of the hospices to provide basic technical support and interim staff training

Fundraising and Administration – Volunteers also play major roles in fundraising for the charity, administration and other essential support.

The Worshipful Company of Information Technologists - Lifelites maintains strong links with the Information Technologists' Company, a City Livery Company. The Company was a major contributor in the initial establishment of Lifelites and continues to advise on service developments.

6. Achievements and Performance

Hospice projects - During 2009, Lifelites worked with ten existing sites to complete an upgrade of their Lifelites package. All these projects were delivered below budget. Two centres where Lifelites equipment had been installed were closed at the end of 2009, reducing the current number of sites served to 38. Their equipment will be transferred to Lifelites projects at other children's hospices.

Hospice staff training was enhanced to concentrate on the benefits of specialist technologies for children with disabilities in hospices.

Internet access was developed during the year to enable bespoke controls to suit the different users at each site.

Fundraising – Fundraising income increased from £145,000 in 2008 to £259,000 in 2009. The addition of a trust fundraiser, as well as administrative staff with experience of public fundraising helped achieve major fundraising successes in 2009 including:

- Lifelites being selected as the chosen charity for Dixons Stores Group International – DSGi - incorporating Currys, PC World and Dixons Travel stores;
- A major grant from the Freemasons' Grand Charity;
- Pelicam Assurance choosing Lifelites as their charity of choice;
- Funding from The Grand Lodge of Scotland for the Scottish projects.

7. Plans for the Future

- Lifelites is committed to strengthening its financial base by building on existing fundraising streams and creating new funding opportunities.
- Lifelites will seek to sustain the provision of equipment and planned maintenance at each hospice.
- During 2010, finances permitting, Lifelites will refurbish existing systems at 10 children's hospices and install the package at two children's hospices in Scotland.
- Lifelites will seek to add value to the services it provides and to reduce costs by keeping up to date with trends in information, home education and recreational technologies.
- The Trustees are aware that, in the current economic downturn, income may reduce and that steps must be taken to ensure that the finances of Lifelites continue to be prudently managed in these challenging circumstances.

8. Financial summary

During 2009, investments (see below) generated income of £26,000 (2008: £190,000); donations amounted to £259,000 (2008: £145,000). Donations made to Lifelites during 2009 included support for installations at various Lifelites sites and the maintenance of all its projects.

The cost of installation and maintenance work carried out by Lifelites during 2009 was £393,000 (2008 - £561,000).

As at 31 December 2009 Lifelites held funds to the value of £3,082,000 (2008 - £3,330,000).

During 2009, Lifelites' staff costs comprised the employment of the Chief Executive, the Trust Fundraiser and two job share Administrator/Office Managers. In December 2009 in order to maximise the fundraising capacity from corporate appeals a temporary part-time Fundraising Assistant was appointed.

Financial services and office facilities were provided by the RMTGB at a total cost to Lifelites of £12,000 for the year.

Investment Policy – Lifelites now benefits from the advantage of a pooled investment fund managed on behalf of the RMTGB and other Masonic charities. The Trustees are satisfied that this approach is consistent with prudent management of risk and the need to achieve satisfactory real returns.

Reserves Policy - When Lifelites was established as a separate charity in 2006, the RMTGB made a donation to Lifelites comprising the residue of the fund created when Lifelites was established as their millennium project. The purpose of this donation was to enable Lifelites to maintain its charitable activities whilst it established other sustainable sources of income.

The residue of this donation is presently invested with the primary aim of providing an income to Lifelites as a supplement to its expanding fundraising activities; the returns on this investment are carefully monitored.

It is the view of the Trustees that the returns generated from these investments are essential to the future well-being of the charity and its beneficiaries, and will remain so until fundraising provides a sufficient alternative source of income.

9. Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures 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 accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts Reports) Regulations 2008 and Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to Auditor

So far the Trustees are aware, at the date of approval of this report:-

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken such steps that they deem necessary to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed  Date 20/4/2010
 Mike Woodcock, Chairman (on behalf of Lifelites Board of Trustees)

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LIFELITES

We have audited the financial statements of Lifelites for the year ended 31 December 2009 which comprise of the Balance Sheet, the Statement of Financial Activities and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Trustees, as a body, in accordance with Section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Trustees of the Charity as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out on page 1.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of the Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charity has not kept sufficient accounting records, if the charity has not kept sufficient accounting records, or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the Report of the Trustees concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the Report of the Trustees and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice and of its outgoing resources and application of resources for the for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

Spofforths LLP

Spofforths LLP**Chartered Accountants and Registered Auditor**

9 Donnington Park

85 Birdham Road

CHICHESTER

West Sussex

PO20 7AJ

22nd April 2010

Lifelites
Statement of Financial Activities
for the year to 31 December 2009

Notes	Unrestricted Fund £'000s	Restricted Fund £'000s	Total 2009 £'000s	Total 2008 £'000	
Incoming Resources					
Incoming resources from generated funds:					
Voluntary Income	2	185	74	259	146
Investment income	2	25	-	25	189
Total Incoming Resources	<u>210</u>	<u>74</u>	<u>284</u>	<u>335</u>	
Application of Resources					
Cost of generating funds					
Cost of generating voluntary income	3	(88)	-	(88)	(54)
Charitable activities	4	(345)	(69)	(414)	(562)
Governance	5	(31)	-	(31)	(47)
Total Resources Expended in the Year	<u>(464)</u>	<u>(69)</u>	<u>(533)</u>	<u>(663)</u>	
Net Movement in Funds for the Year	<u>(254)</u>	<u>5</u>	<u>(249)</u>	<u>(328)</u>	
Total Funds:					
Brought Forward	<u>3,330</u>	<u>1</u>	<u>3,331</u>	<u>3,659</u>	
Carried Forward	<u>3,076</u>	<u>6</u>	<u>3,082</u>	<u>3,331</u>	


There were no recognised gains or losses for 2009 and 2008 other than those included in the Statement of Financial Activities.

The notes on pages 9 to 13 form part of these accounts.

Lifelites
Balance Sheet
as at 31 December 2009

	Notes	2009 £'000	2008 £'000
Fixed Assets:			
Office Furniture, Equipment and Motor Vehicles		3	4
Investments:			
Money market account	8	<u>3,108</u>	<u>3,341</u>
Total Fixed Assets		3,111	3,345
Current assets:			
Debtors	9	5	11
Creditors:			
Amounts falling due within one year	10	<u>(34)</u>	<u>(25)</u>
Net current assets		<u>(29)</u>	<u>(14)</u>
Net assets		<u>3,082</u>	<u>3,331</u>
Capital			
Restricted funds	11	6	1
Unrestricted funds		<u>3,076</u>	<u>3,330</u>
Total Charity Funds		<u>3,082</u>	<u>3,331</u>

Approved by the Trustees on *20/4/10* and signed on their behalf.


 Trustee

Lifelites
Notes to the Accounts
for the year to 31 December 2009

Principal Accounting Policies

1.

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention except for investments and securities which are stated at market value, and in accordance with the Charities Act 1993 and the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities published in March 2005, and include the results of the Charity's operations which are described in the Trustees' Report and all of which are continuing. The accounts have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005).

1.2 Incoming Resources

Investment income is accounted for on an accruals basis. Voluntary income is accounted for on an accruals basis. No incoming resources have been included in the SOFA net of expenses. No incoming resources have been deferred.

1.3 Resources Expended

Expenditure is brought into account on an accruals basis. Under the provisions of the Trust Deed the Trustees are empowered to make payments out of the total income arising from Lifelites' Funds.

Expenditure has been classified into three main headings and allocations have been made on the following basis:-

i) Cost of Generating Funds

The cost of generating voluntary income, which includes the cost of fundraising.

ii) Charitable Activities

The cost of Charitable Activities includes costs of equipment, project delivery and maintenance together with other related costs.

iii) Governance

Governance costs comprise the costs of running and administering the Charity, and includes professional fees.

iv) Support Costs

Wages and salaries are apportioned on a time spent basis and all other costs are allocated on a directly attributable basis.

1.4 Depreciation of Fixed Assets

Depreciation is charged on all furniture and equipment and computers on a four-year straight-line basis. All assets costing less than £500 are not capitalised.

1.5 Unrestricted Funds

The reserves of the Charity, are maintained by the Trustees to sustain on-going and new commitments in accordance with the objects of the Charity.

1.6 Restricted Funds

The Restricted Funds arise from hospice specific donations.

1.7 Pension Contributions

Lifelites contributes to a defined contribution scheme. All costs incurred are recognised in income and expenditure in the period in which incurred.

Lifelites
Notes to the Accounts
For the year to 31 December 2009

2. Incoming Resources	Unrestricted £'000s	Restricted £'000s	2009 £'000	2008 £'000
Voluntary Income				
Donations	185	74	259	146
Investment Income				
Interest on deposit	25	-	25	189
Total Incoming Resources	210	74	284	335
3. Cost of Generating Voluntary Income	Unrestricted £'000s	Restricted £'000s	2009 £'000	2008 £'000
Salaries, National Insurance and Pension Contributions	67	-	67	30
Printing, Stationery, Postage and Badges	19	-	19	23
Travel expenses	1	-	1	1
Depreciation	1	-	1	-
Total	88	-	88	54
4. Charitable Activities	Unrestricted £'000s	Restricted £'000s	2009 £'000	2008 £'000
Management and administration	21	-	21	-
Depreciation	-	-	-	1
Amounts paid for beneficiaries	283	68	351	445
Salaries, National Insurance and Pension Contributions	38	1	39	110
Travel expenses	2	-	2	4
Staff costs	1	-	1	2
Total	345	69	414	562
5. Governance	Unrestricted £'000s	Restricted £'000s	2009 £'000	2008 £'000
Salaries, National Insurance and Pension Contributions	20	-	20	32
Printing, Stationery, and Postage	3	-	3	4
Travel expenses	-	-	-	1
Trustee Expenses	1	-	1	1
Audit fees	3	-	3	4
Professional fees	-	-	-	1
Staff costs	2	-	2	2
Sundry expenses	2	-	2	1
Depreciation	-	-	-	1
Total	31	-	31	47

Lifelites
Notes to the Accounts
For the year to 31 December 2009

6. Staff costs

No remuneration was paid to Trustees in the year. Trustees' expenses amounting to £ 514 (2008: £ 424) were reimbursed to 2 Trustees in the year (2008: 2)

	Unrestricted £'000s	Restricted £'000s	2009 £'000	2008 £'000
The staff costs were as follows:				
Gross Salaries	125	1	126	130
National Insurance	12	-	12	14
Pension Contributions	9	-	9	20
Redundancy	-	-	-	8
	<u>146</u>	<u>1</u>	<u>147</u>	<u>172</u>

During the year contributions of £9,148 (2008: £5,700) were made in relation to 3 members (2008: 2) of the UGLE Defined Contribution Scheme. At 31 December 2009 there are no employees with emoluments above £60,000. There are no amounts outstanding at year end.

Average number of staff employed during the year:

Charitable Activities	1	1
Fundraising	1	1
Governance	1	1
Total	<u>3</u>	<u>3</u>

7. Office Furniture, Equipment and Computers

	2009 £'000	2008 £'000
Cost of fixed assets:		
Balance brought forward 1 January	5	6
Additions during the year	0	4
Disposals during the year	<u>0</u>	<u>(5)</u>
Balance carried forward 31 December	<u>5</u>	<u>5</u>
Accumulated Depreciation 1 January	1	4
Depreciation charge for the year	1	2
Disposals during the year	<u>0</u>	<u>(5)</u>
Accumulated Depreciation 31 December	<u>2</u>	<u>1</u>
Net Book Value at 31 December	<u>3</u>	<u>4</u>
Net Book Value at 1 January	<u>4</u>	<u>2</u>

8. Investments

The money market deposits of the Charity are held in a Special Interest Bearing Account.

	2009 £'000	2008 £'000
Interest receivable	4	4
Prepayments	1	1
Royal Masonic Trust for Girls and Boys*	<u>-</u>	<u>6</u>
	<u>5</u>	<u>11</u>

*(See note 12 further details)

10. Creditors - amounts falling due within one year

	2009 £'000	2008 £'000
Audit fees	4	4
Bank Overdraft	2	-
Royal Masonic Trust for Girls and Boys*	1	-
Sundry creditors	<u>27</u>	<u>21</u>
	<u>34</u>	<u>25</u>

*(See note 12 further details)

11. Restricted and Unrestricted Funds

The restricted funds of the Charity arise from donations related to specific expenditure for hospices detailed in note 13. The remaining reserves of the Charity, all of which are unrestricted, are maintained by the Trustees to enable the continuation of on-going and future services provided for children in hospices in accordance with the objects of the Charity.

Lifelites
Notes to the Accounts
For the year to 31 December 2009

12. Related Party Transactions

Lifelites is a subsidiary of the RMTGB. Financial services and office facilities are provided by the RMTGB at a total cost to Lifelites of £12,000 per annum. At the year end the balance owed to the RMTGB amounted to £1K (2008: £ - 6K).

13. Analysis of Net Assets between Funds

The assets and liabilities representing each fund at the year-end were as follows:

	Unrestricted Fund	Restricted Fund	Total	<i>Total</i>
	<u>2009</u>	<u>2009</u>	<u>2009</u>	<u>2008</u>
	£'000	£'000	£'000	£'000
Fixed Assets	3	-	3	4
Money Market Deposits	3,102	6	3,108	3,341
Current assets	5	-	5	11
Current liabilities	<u>(34)</u>	<u>-</u>	<u>(34)</u>	<u>(25)</u>
Total	<u><u>3,076</u></u>	<u><u>6</u></u>	<u><u>3,082</u></u>	<u><u>3,331</u></u>

Lifelites
Notes to the Accounts
For the year to 31 December 2009

14. Lifelites and its Restricted Funds

The financial summary of the Funds is set out below, together with an analysis of the subsidiary Funds.

Fund	<u>Income and Expenditure</u>			<u>Balance Sheet</u>			Restricted / Unrestricted Fund
	Incoming Resources	Resources Expended	Excess of income over expenditure	Total Fixed Assets	Net Current Assets	Total Funds as at 31/12/09	
Restricted Funds							
Acoms Selly Oak	3	3	-	-	-	-	Restricted
Acoms Walsall	2	2	-	-	-	-	Restricted
Acoms Worcester	1	1	-	-	-	-	Restricted
Children's Trust	5	5	-	-	-	-	Restricted
Claire House	3	3	-	-	-	-	Restricted
Francis House	-	1	(1)	-	-	-	Restricted
Helen House	11	11	-	-	-	-	Restricted
Little Bridge House	1	1	-	-	-	-	Restricted
Martin House	1	1	-	-	-	-	Restricted
Naomi House	4	4	-	-	-	-	Restricted
Rainbows Bookham	6	6	-	-	-	-	Restricted
Rainbows Leicester	4	4	-	-	-	-	Restricted
Richard House	1	1	-	-	-	-	Restricted
Shooting Star	6	6	-	-	-	-	Restricted
St Andrews, Grimsby	6	5	1	1	-	1	Restricted
St Oswalds, Newcastle	3	3	-	-	-	-	Restricted
Ty Hafan	10	10	-	-	-	-	Restricted
Whitehouse	2	2	-	-	-	-	Restricted
Robin House - Scotland	2	-	2	2	-	2	Restricted
Rachael House - Scotland	3	-	3	3	-	3	Restricted
	<u>74</u>	<u>69</u>	<u>5</u>	<u>6</u>	<u>-</u>	<u>6</u>	Restricted
Lifelites Restricted	74	69	5	6	-	6	Restricted
Lifelites Unrestricted	210	464	-254	3,105	-29	3,076	Unrestricted
Total Hospices	<u>284</u>	<u>533</u>	<u>-249</u>	<u>3,111</u>	<u>-29</u>	<u>3,082</u>	