

Charity Registration No. 328331

Company Registration No. 02394189 (England and Wales)

**MAGIC ME**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**



# MAGIC ME

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Alison Harvie	
	Denise Leander	
	Aimee O'Malley	
	David Russell	
	Philip Cave	
	Hazel Gould	
	Damian Hebron	
	Afsana Begum	(Appointed 13 February 2020)
	Caroline Gellatly	(Appointed 13 February 2020)
	Max Glazer-Munck	(Appointed 13 February 2020)
<b>Secretary</b>	Susan Langford	
<b>Charity number</b>	328331	
<b>Company number</b>	02394189	
<b>Principal address</b>	18 Victoria Park Square Bethnal Green London E2 9PF	
<b>Registered office</b>	18 Victoria Park Square Bethnal Green London E2 9PF	
<b>Independent examiner</b>	Richard F Hopper Chinthurst 30 St Stephens Hill Launceston Cornwall PL15 8HN	
<b>Bankers</b>	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

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# **MAGIC ME**

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# **MAGIC ME**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2020**

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The trustees present their report and financial statements for the year ended 31 March 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities (FRS102)".

#### **Objectives and activities**

The charity's objects are the improvement and advancement of the education of children and adults towards a better understanding of ageing and the needs of elderly people, and methods by which those needs may best be met.

#### **Public benefit**

Magic Me works for the benefit of the public both now and for future generations. Research shows that 1 in 3 babies born in the UK this year will live to be 100.

By bringing younger and older people together in shared creative activities we bring enjoyment, improved wellbeing and greater mutual understanding across generations. Longer term we support individuals and organisations to imagine different ways of growing older and design the future society we need to build for our ageing population. Our activities, exhibitions and performances challenge both participants and audiences to reconsider ageist expectations and stereotypes which can limit the aspirations and lives of younger and older people.

The trustees have referred to the Charity Commission's guidance on public benefit in reviewing the charity's aims and objectives and in planning its future actions.

#### **Who used and benefitted from our activities?**

Magic Me benefits people of all ages at many different levels: young and older participants enjoy new opportunities, learn skills and form new friendships; our partners (for example staff in care homes) gain new insights and form deeper and more rewarding relationships with those for whom they care; artists and creative practitioners develop new skills and expertise; and our volunteers gain skills in communicating with older people and form wider connections and social links within their communities.

Magic Me is based in Tower Hamlets, east London, however the activities we deliver and our influence on other people benefit people and communities much more widely.

During the year 2019/20 Magic Me:

- \* ran arts workshops, projects and events in partnership with more than 36 partner schools, care homes and care settings for older people, community centres and cultural or arts organisations;
- \* worked with and directly benefitted 467 older people, 331 children and young people and involved 216 adult volunteers, including staff from 6 different corporate volunteer partners;
- \* reached further audiences of 850+ people in live events and 2,030 people online, who viewed our older and younger participants' performances and other artworks;
- \* ran intergenerational activities in a total of ten London Boroughs: Tower Hamlets, Brent, Camden, Hammersmith & Fulham, Haringey, Islington, Lambeth, Southwark, Waltham Forest and Westminster. Partnership projects were launched in four locations across Essex: Epping, Maldon, Colchester and Tendring;
- \* celebrated its 30th Birthday with an evening party hosted by our long-term partners Allen & OveryLLP at their Spitalfields office, complete with roof garden and views.

# MAGIC ME

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

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### Strategic Growth

2019/20 was the third year in our 3-Year Strategic Plan developed by the Board and staff team. Through the Plan we continued working towards our goals to grow Magic Me's reach and impact, beyond our home base in Tower Hamlets, to serve other communities in outer east London and the east of England.

In east London our particular focus of growth was in Waltham Forest, the first ever London Borough of Culture, through our *Inside Out* project with care home residents and their local adult neighbours, and *Quality Street* a major two-year intergenerational community-building programme with housing organisation L&Q and many other local partners. In Essex we launched a four-year Artists' Residencies in Care Homes project, working with Excelcare homes across the county and four leading arts organisations: Matthew Bourne's New Adventures, curious directive, Gecko and Fevered Sleep. Our research partner Anglia Ruskin University are capturing learning about best practice in building good relationships between arts and care home staff in order to provide high quality arts experiences for older residents.

Our aim remains to share our proven and new models of intergenerational practice ever more widely, helping others across the UK to create connections and enrich lives through shared creative activity. We are doing this both through delivering activities ourselves and through influencing and supporting other organisations' work. By broadening our reach we also aimed to increase the sustainability of Magic Me, building a broader base of partnerships and funding streams in more locations.

### Challenges during 2019/20

The onset in the UK of the Covid-19 pandemic in late February and its ongoing impact through 2020 is without doubt the biggest challenge to face Magic Me in our 30+ year history. We have continued to deliver on our mission adapting our programme to serve our regular participants and partners, through adapting all our projects to work, enabling people to continue to meet, to make and to party at a distance, by phone, post, artworks and online. More details are given within our fuller Annual Report.

By 2020 Magic Me's award-winning *Cocktails in Care Homes* project had been running for nearly ten years, and had thrown nearly 700 evening parties for care home residents with our adult volunteer team. For a decade we had grown *Cocktails* in response to very positive feedback and popular demand, and are very proud of the joy, fun and friendship it brought to many people in this time. The project was made possible by financial support from individuals, partners, companies, trusts and foundations, but we have been unable to secure a sustainable model to enable us to grow and maintain the project further. In February we therefore took the difficult decision to scale back and then close *Cocktails* in summer 2020. Our plans for final parties and the handover of volunteers to be managed by their chosen local care homes were all interrupted by Covid-19 in March. Details of *The After Party*, our 'at a distance' party response are given in our Annual Report. Learning from this decade of work is feeding into our future work with care home partners and we are indebted to the staff, volunteers, partners, supporters and partygoers who made all this possible.

### Achievements and performance

#### For more details

The development, activities and achievements of Magic Me during the year are further reviewed in our Annual Report 2019/20. This will be available on-line at [www.magicme.co.uk](http://www.magicme.co.uk) following our AGM in October 2020 and in printed format on request from our office: 020 3222 6064.

# MAGIC ME

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

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### Financial Report

The financial transactions of the charity during the year and the position at the end of the year are set out in the attached accounts.

**Financial Review** Income during the year 2019/20 was £410,190 compared with £293,609 in 2018/19. This increase reflects receipt of the first instalments of a major grant of £290,000 from Paul Hamlyn Foundation, to run the four-year programme Artists Residencies in Care Homes in Essex. Approximately £165,000 of the grant is for work by our four partner arts organisations and the research partner Anglia Ruskin University over the lifetime of the project.

During the past four financial years we have benefitted from any anonymous donation of £200,000, given to us unsolicited in December 2016. During 2019/20 we invested the final instalment, £23,037, to grow Magic Me's sustainability and geographical reach. The brought forward remainder of an Award of £100,000 from the Players of the Peoples Postcode Lottery in January 2018 also supported us to benefit communities in outer east London and the east of England. With the ending of these underpinning grants, staff have focussed on securing other core income and working towards full cost recovery for all projects.

Total expenditure in 2019/20 was £452,459, an increase from £388,381 in the previous year.

Our Board of Trustees and senior staff continue to review our strategic and fundraising plans, to deliver the most appropriate services, increase our financial stability and ensure the right staff and freelance team are in place. 2019/20 was a challenging year for fundraising. Community need is growing and many funders told us of greatly increased application levels. Whilst we are able to report some major successes we also had to make some very tough decisions when we could not secure all the funds required. We are indebted to the flexibility and support of many long-term funders who enabled us to plan a good ending for our *Cocktails in Care Homes* project, after 10 years, when the jigsaw of income from many sources no longer added up.

We continue to work to diversity our range of sources of income. Magic Me receives no core public subsidy and we are enormously grateful for the very generous support received from numerous trusts and foundations, businesses, individual supporters and the Friends of Magic Me – without which our work would not be possible.

### Reserves policy and position

The trustees aim to keep a balance in free reserves equal to at least three months' core expenditure (staff, contracted costs e.g. office rent etc.), so as to enable the charity to continue to operate in the short term in the event of unexpected delays in the receipt of income or unexpected expenditure and to enable a well-managed wind-up of the charity should that ever become necessary. The target reserve level will change over time and is reviewed quarterly by the Finance, Audit and Risk Sub-Committee. This figure is currently calculated at £69,820.

During 2019/20 strategies to increase our reserves succeeded in increasing General Unrestricted Funds by £14,313 to £34,207. A further reserve of £17,695 at 31 March 2020 (£40,732 at 31 March 2019) is designated to cover unforeseen operating costs as listed in Note 18. The current total Unrestricted Funds of £51,902 therefore remains short of the target level. Our financial planning and income generation for the current year have a continued focus on building this reserve, although we know this will be particularly challenging in 2020/21 with consultancy and training fee income unlikely due to the pandemic restrictions.

The cash position at 31 March 2020 was healthy, with £240,940 cash in hand and total net assets of £116,171.

# **MAGIC ME**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020**

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### **Risk Review and Management**

The trustees have reviewed during the year the major risks to which the charity is exposed. They have looked at existing risk and further control measures required and the process by which Trustees are kept up to date about these risks. These risks have been classified under the headings set out below, with some of the key actions taken to mitigate them.

**Governance risk:** to continue to ensure that: the trustees have the relevant skills, commitment and capacity to govern Magic Me to enable the charity to be the best that it can be, steadfastly focused on achieving its vision, mission and purpose, so as to transform the lives of the beneficiaries whom we serve.

**Operational risk:** to continue to ensure that: Policies and Procedures including those for Safeguarding of Children and Vulnerable Adults, Health & Safety and Equal Opportunities are in line with current best practice and implemented; appropriate systems for contracting, managing and supervising all staff and freelance artists and workers, and for working with volunteers are in operation; clear written agreements of roles and responsibilities are negotiated and signed with project partners.

**Financial risk:** to continue to ensure: good forward financial planning, fundraising and cashflow awareness; the maintaining of a suitable reserves policy aiming to build up a reserve of at least three months' running costs

**Regulatory and external risk:** to continue to ensure: best practice is followed regarding employment practices and the policies noted under operational risk; compliance with relevant legislation regarding charities and companies including GDPR ; to remain alert to the changing context within the many sectors in which Magic Me operates.

**Reputational risk:** to continue to build on the charity's reputation for best practice and to develop good working relationships with partners, for example schools, care providers, funders.

**Covid-19** Since March 2020 risks relating to Covid-19 and its impact have been added to our Risk Register with plans made to mitigate these as far as possible. New guidelines for staff, freelances and volunteers have been put in place and are regularly reviewed and updated in relation to changing government advice or legislation and emerging best practice. Financial and governance risks relating to a changed funding landscape, economic downturn, remote working and potential for illness of key people are also under regular review.

# MAGIC ME

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

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### Structure, governance and management

Magic Me is a company limited by guarantee (no. 2394189) formed on 12 June 1989 and is registered as a charity (no. 328331).

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Alison Harvie

Denise Leander

Aimee O'Malley

Victoria Grace

(Resigned 15 October 2019)

Benjamin Haber

(Resigned 13 February 2020)

David Russell

Philip Cave

Hazel Gould

Damian Hebron

Afsana Begum

(Appointed 13 February 2020)

Caroline Gellatly

(Appointed 13 February 2020)

Max Glazer-Munck

(Appointed 13 February 2020)

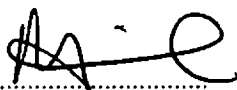
None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity is run by a board of directors/trustees which meets every three months. Through three sub-committees (Finance Audit and Risk, Fundraising and HR) the trustees also oversee key aspects of the charity's operations. The day-to-day management of the organisation is delegated to the Director who leads the delivery of activities and projects with a team of other employees, professional artists and numerous volunteers.

### Asset cover for funds

The notes to the accounts set out the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund-by-fund basis.

The trustees' report was approved by the Board of Trustees.



Alison Harvie

Trustee

Dated: 2/11/20

# MAGIC ME

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAGIC ME

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I report to the trustees on my examination of the financial statements of Magic Me (the charity) for the year ended 31 March 2020.

### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

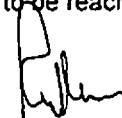
### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Richard F Hopper

Chartered Accountant

Chinthurst  
30 St Stephens Hill  
Launceston  
Cornwall  
PL15 8HN

Dated: 11 November 2020

# MAGIC ME

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b><u>Income and endowments from:</u></b>					
Donations and grants	3	55,982	350,951	406,933	288,504
Other trading activities	4	31	-	31	40
Investments	5	776	-	776	888
Other income	6	2,450	-	2,450	4,177
<b>Total income</b>		<b>59,239</b>	<b>350,951</b>	<b>410,190</b>	<b>293,609</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	19,302	-	19,302	23,854
Charitable activities	8	48,661	384,496	433,157	364,527
<b>Total resources expended</b>		<b>67,963</b>	<b>384,496</b>	<b>452,459</b>	<b>388,381</b>
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(8,724)</b>	<b>(33,545)</b>	<b>(42,269)</b>	<b>(94,772)</b>
Fund balances at 1 April 2019		60,626	97,814	158,440	253,212
<b>Fund balances at 31 March 2020</b>		<b>51,902</b>	<b>64,269</b>	<b>116,171</b>	<b>158,440</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# MAGIC ME

## BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	12		4,461		5,511
<b>Current assets</b>					
Debtors	13	12,476		14,759	
Cash at bank and in hand		240,940		181,531	
		<u>253,416</u>		<u>196,290</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(141,706)</u>		<u>(43,361)</u>	
Net current assets			111,710		152,929
<b>Total assets less current liabilities</b>			<u>116,171</u>		<u>158,440</u>
<b>Income funds</b>					
Restricted funds	17		64,269		97,814
<u>Unrestricted funds</u>					
Designated funds	18	17,695		40,732	
General unrestricted funds		<u>34,207</u>		<u>19,894</u>	
			51,902		60,626
			<u>116,171</u>		<u>158,440</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

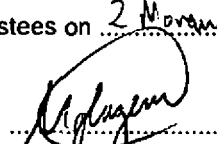
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 2 November 2020



Alison Harvie  
Trustee



Max Glazer-Munck  
Trustee

Company Registration No. 02394189

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### Charity information

Magic Me is a private company limited by guarantee incorporated in England and Wales. The registered office is 18 Victoria Park Square, Bethnal Green, London, E2 9PF.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 1.5 Resources expended

Expenditure is charged in the accounts at the time when a liability to make payment is incurred.

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% p.a. on cost
IT equipment & website	25% - 33.33% p.a. on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

(Continued)

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3 Donations and grants

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations and gifts	26,465	-	26,465	43,104
Grants income	29,517	350,951	380,468	245,400
	<u>55,982</u>	<u>350,951</u>	<u>406,933</u>	<u>288,504</u>
<b>For the year ended 31 March 2019</b>	<u>34,885</u>	<u>253,619</u>		<u>288,504</u>

The trustees acknowledge with thanks grant and donation income from many funders and supporters within the public, private and voluntary sectors, including the following of £1,000 or more:

£190,000 The Paul Hamlyn Foundation  
 £40,600 The L&Q Foundation  
 £25,000 The Mercers' Charitable Foundation  
 £25,000 Anonymous  
 £21,538 London Borough of Tower Hamlets  
 £20,000 The Goldsmiths' Company Charity  
 £20,000 The Aldgate and Allhallows Foundation  
 £20,000 Garfield Weston Foundation  
 £18,331 ExPat Foundation  
 £18,100 London Borough of Waltham Forest  
 £10,400 Anonymous  
 £10,000 Anonymous  
 £5,037 Salters' Charitable Foundation  
 £5,000 Foundation for Future London  
 £5,000 French Huguenot Church London  
 £5,000 The Haberdashers' Foundation  
 £5,000 Masonic Charitable Foundation  
 £5,000 The Lucas Tooth Trust  
 £4,000 Allen & Overy  
 £4,000 Westminster Amalgamated Charity  
 £3,800 Camden Giving  
 £2,000 Tesco: Bags of Hope  
 £1,665 Gifted Communications  
 £1,508 Bank of England  
 £1,500 Arts Council England  
 £1,500 Schroders  
 £1,500 The Big Give: Monday Charitable Trust  
 £1,200 Hammersmith United Charities  
 £1,000 Arup

We also acknowledge financial contributions from project partners including £6,710 from Cocktails in Care Homes partners, £5,000 from Excelcare and £2,000 from Gateway Housing and the 185 Friends of Magic Me and other individuals who gave regular or one-off contributions during the year totalling of £10,350.

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Sale of books etc.	31	40

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	776	888

### 6 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Other income	2,450	4,177

Other income comprises fees earned from the provision of training and consultancy services.

### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Costs of generating grants and donations</u>		
Fundraising expenses	2,403	1,801
Staff costs	16,899	22,053
Costs of generating grants and donations	19,302	23,854
	19,302	23,854

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 8 Charitable activities

	Inter- genera- tional activities £	Training and developmt activities £	Total 2020 £	Total 2019 £
Staff costs	204,914	18,428	223,342	209,743
Depreciation and impairment	2,440	-	2,440	2,332
Artists' fees, materials and other direct project costs	143,088	18	143,106	88,697
	<u>350,442</u>	<u>18,446</u>	<u>368,888</u>	<u>300,772</u>
Share of support costs (see note 9)	56,985	4,591	61,576	60,051
Share of governance costs (see note 9)	2,693	-	2,693	3,704
	<u>410,120</u>	<u>23,037</u>	<u>433,157</u>	<u>364,527</u>
<b>Analysis by fund</b>				
Unrestricted funds	25,624	23,037	48,661	
Restricted funds	384,496	-	384,496	
	<u>410,120</u>	<u>23,037</u>	<u>433,157</u>	
<b>For the year ended 31 March 2019</b>				
Unrestricted funds	31,702	42,630		74,332
Restricted funds	290,195	-		290,195
	<u>321,897</u>	<u>42,630</u>		<u>364,527</u>

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	21,140	-	21,140	21,821	-	21,821
Premises and insurance costs etc.	23,033	-	23,033	22,599	-	22,599
Administrative expenses	17,403	-	17,403	15,631	-	15,631
Accountancy	-	1,008	1,008	-	984	984
Trustees expenses	-	185	185	-	817	817
Annual Report and AGM	-	1,500	1,500	-	1,903	1,903
	<u>61,576</u>	<u>2,693</u>	<u>64,269</u>	<u>60,051</u>	<u>3,704</u>	<u>63,755</u>
Analysed between						
Charitable activities	<u>61,576</u>	<u>2,693</u>	<u>64,269</u>	<u>60,051</u>	<u>3,704</u>	<u>63,755</u>

Governance costs includes payments to the independent examiner of £1,008 (2019- £984) for independent examination and accountancy fees.

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2019- none were reimbursed).

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 11 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Project work	7	7
Administration	1	1
Fundraising	1	1
	<u>9</u>	<u>9</u>

#### Employment costs

	2020 £	2019 £
Salaries	236,741	231,695
Social security costs	19,257	18,439
Other pension costs	5,383	3,483
	<u>261,381</u>	<u>253,617</u>

There were no employees whose annual remuneration was £60,000 or more.

### 12 Tangible fixed assets

	Fixtures, fittings & equipment £	IT equipment & website £	Total £
<b>Cost</b>			
At 1 April 2019	1,173	14,341	15,514
Additions	-	1,390	1,390
At 31 March 2020	<u>1,173</u>	<u>15,731</u>	<u>16,904</u>
<b>Depreciation and impairment</b>			
At 1 April 2019	1,173	8,830	10,003
Depreciation charged in the year	-	2,440	2,440
At 31 March 2020	<u>1,173</u>	<u>11,270</u>	<u>12,443</u>
<b>Carrying amount</b>			
At 31 March 2020	<u>-</u>	<u>4,461</u>	<u>4,461</u>
At 31 March 2019	<u>-</u>	<u>5,511</u>	<u>5,511</u>

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 13 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	7,991	10,179
Other debtors	1,588	1,458
Prepayments and accrued income	2,897	3,122
	<u>12,476</u>	<u>14,759</u>

### 14 Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Other taxation and social security		-	5,793
Deferred income	15	130,000	29,400
Other creditors		9,025	3,644
Accruals and deferred income		2,681	4,524
		<u>141,706</u>	<u>43,361</u>

### 15 Deferred income

	2020	2019
	£	£
Other deferred income	<u>130,000</u>	<u>29,400</u>

### 16 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,383 (2019 : £3,483).

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Cocktails in Care Homes	58,993	66,171	(101,150)	24,014	82,408	(84,702)	21,720
Arts and Ages	-	80,386	(54,340)	26,046	71,145	(95,563)	1,628
Artists Residencies	-	-	-	-	85,000	(69,779)	15,221
In My Name	-	17,462	(14,597)	2,865	1,500	(4,365)	-
Players of the Peoples Postcode Lottery	53,089	9,800	(58,774)	4,115	29,400	(33,515)	-
Quality Street	-	66,900	(34,531)	32,369	40,600	(62,587)	10,382
Artworks	-	-	-	-	13,798	(6,885)	6,913
Generation Rebellion	-	-	-	-	9,000	(9,000)	-
Inside Out	-	-	-	-	18,100	(18,100)	-
Essex Youth projects	5,000	-	-	5,000	-	-	5,000
Other projects	3,405	-	-	3,405	-	-	3,405
	13,903	36,900	(50,803)	-	-	-	-
	<u>134,390</u>	<u>277,619</u>	<u>(314,195)</u>	<u>97,814</u>	<u>350,951</u>	<u>(384,496)</u>	<u>64,269</u>

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 17 Restricted funds

(Continued)

The restricted funds are held for the following purposes:

#### *Cocktails in Care Homes*

Programme of monthly evening parties for older residents of care homes with trained adult volunteers, providing friendship, fun and new relationships.

#### *Arts & Ages*

A three-year intergenerational arts programme nurturing partnerships between 8 primary schools and 8 groups of older people in Tower Hamlets.

#### *Artworks*

A four-year project to provide placements, supporting Tower Hamlets residents to pursue careers in the arts, focused on those who currently face barriers e.g. Black and Asian people and those from working-class backgrounds.

#### *Generation Rebellion*

A two-year project with younger and older women exploring the role of the arts and intergenerational activism in relation to the Climate Emergency

#### *In My Name*

A group of students from Mulberry School for Girls and older women from the local community exploring themes around names and naming.

#### *Inside Out*

Part of the London Borough of Culture programme in Waltham Forest, Inside Out brought together older people, artists and adult volunteers to create and showcase artworks, linking care homes with their neighbourhoods.

#### *Players of the People's Postcode Lottery*

To support Magic Me's strategic plan to grow our reach, impact and supporter base beyond the London Borough of Tower Hamlets to serve outer East London and the East of England.

#### *Quality Street*

A two-year programme funded by the L&Q Foundation bringing three generations of residents together in Leyton.

#### *Guardian Youth*

To support Magic Me's work, specifically benefitting young people in the UK.

#### *Essex Care Homes*

To support Magic Me's work in care homes across Essex.

# MAGIC ME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018 £	Utilised as designated £	Balance at 1 April 2019 £	Utilised as designated £	Balance at 31 March 2020 £
Development	87,720	(64,683)	23,037	(23,037)	-
Staff cover	8,000	-	8,000	-	8,000
Training	2,695	-	2,695	-	2,695
Office renovations	4,000	-	4,000	-	4,000
Equipment	1,000	-	1,000	-	1,000
Safeguarding	2,000	-	2,000	-	2,000
	<u>105,415</u>	<u>(64,683)</u>	<u>40,732</u>	<u>(23,037)</u>	<u>17,695</u>

#### 19 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:						
Tangible assets	4,461	-	4,461	5,511	-	5,511
Current assets/ (liabilities)	<u>47,441</u>	<u>64,269</u>	<u>111,710</u>	<u>55,115</u>	<u>97,814</u>	<u>152,929</u>
	<u>51,902</u>	<u>64,269</u>	<u>116,171</u>	<u>60,626</u>	<u>97,814</u>	<u>158,440</u>

#### 20 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).