

THE MAGIC CIRCLE FOUNDATION LIMITED

England & Wales · Charity number 297582

Details

Other names	CENTRE FOR THE MAGIC ARTS LIMITED, THE MAGIC CIRCLE FOUNDATION, CENTRE FOR THE MAGIC ARTS / CMA
Status	Registered
Legal form	Charitable company
Company number	02155182
Registered	1987-09-23
Register	View on the Charity Commission register

Contact

Address	The Centre for the Magic Arts 12 Stephenson Way Kings Cross London NW1 2HD
Phone	020 7387 2222
Email	cma@themagiccircle.co.uk
Website	www.themagiccircle.co.uk

Activities

Objects: TO PROMOTE THE EDUCATION OF THE PUBLIC IN THE HISTORY AND PRACTICE OF THE ART OF MAGIC IN PARTICULAR BY MAINTAINING A LIBRARY AND MUSEUM OF MAGIC WORKS AND ARTEFACTS BY PROMOTING PUBLIC LECTURES AND BY PROVIDING OR ASSISTING IN THE PROVISION OF A CENTRE FOR MEETINGS LECTURES CLASSES AND OTHER FORMS OF EDUCATION FOR THE BENEFIT OF THE PUBLIC.

Activities: The promotion of the education of the public in the history and practice of the art of magic

Classification

- **How:** Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Recreation
- **Who:** Children/young People, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£210,679	£283,026	-	-
2024-03-31	£182,592	£213,700	-	-
2023-03-31	£165,429	£188,823	-	-
2022-03-31	£186,995	£163,185	-	-
2021-03-31	£146,419	£143,556	-	-

Trustees

Name	Role	Appointed
Vimal Tilakapala	Chair	2021-11-29
Dr David Sidney Walsh		2025-08-01
Marvin Roy Berglas		2023-09-04
SARAH JANE CAMPBELL		2018-05-23
STUART ALAN SCOTT		2018-07-25

THE MAGIC CIRCLE FOUNDATION LIMITED

England & Wales - Charity number 297582

Accounts

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Chairman's Statement	2 - 4
Trustees' Report	5 - 10
Trustees' Responsibilities Statement	11
Independent Examiner's Report	12
Statement of Financial Activities	13
Balance Sheet	14 - 15
Notes to the Financial Statements	16 - 28

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees	Marvin Berglas Martin Kaufman (resigned 28 November 2024) Vimal Tilakapala Neil Pritchard (resigned 24 November 2024) Stuart Scott Sarah Campbell Barry Harris (resigned 24 November 2024) Garry Thomas (resigned 24 November 2024) Dr David Walsh (appointed 7 August 2025)
Company registered number	02155182
Charity registered number	297582
Registered office	101 New Cavendish Street 1st Floor South London W1W 6XH
Principal operating office	The Centre for the Magic Arts 12 Stephenson Way Kings Cross London NW1 2HD
Company secretary	Stuart Scott

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

The chairman presents his statement for the year.

This financial year (2024-25) we are very pleased to have welcomed as members of the Magic Circle Foundation Limited (the Foundation), 484 members of The Magic Circle (TMC). This brings our total membership to 488. Only three members of TMCF are not members of TMC. These are our three Independent Trustees, Martin Kaufman, Neil Pritchard, and me. It is the responsibility of members of the charity to monitor the progress of the charity through this annual report and accounts, to give realistic and implementable advice to the board and to help wherever practical.

This has been a turbulent year with one trustee stepping down and our membership deciding at our last AGM to not re-elect three trustees, including our treasurer. Since that time, we have reached out to TMC membership and advertised externally to find a replacement treasurer and other suitable trustees. We have nominally appointed as a new trustee David Walsh AIMC, who has extensive experience working in TMC archive and recommend him to the membership. Since our last AGM our Centre Director, Darren Martin, has left us following a board decision to restructure the role requirement to better fit our needs. As an interim measure, and pending recruitment for permanent roles, we have put in place a three-person interim team to manage the transition. We also said goodbye to our long-term bookkeeper, Karen Butler.

On behalf of the Board, I would like to thank Darren and Karen for their contribution over the past years. We are grateful to them and wish them well in their new ventures.

Financial Results

Trading conditions, in terms of overall income, have continued to improve throughout 2024-25. We managed to increase our overall combined (the Foundation and its trading company) income in 2023-24. I am pleased to report that despite inflationary pressures an overall surplus for 2023-24 has been achieved compared with a loss for the 2022-23 financial year. A contributory factor has been improved trading conditions.

Our financial results are explained in more detail in the Trustees' Annual Report below, but highlights include (to the nearest hundred pounds):

An annual combined loss of £45,527

This represents a loss for TMCF of £72,347 combined with a trading profit for CMAT of £26,820

Combined reserves now stand at £359,376.

Reserves are necessary to ensure that any emergency concerning the viability of The Magic Circle headquarters at 12 Stephenson Way (our Headquarters) can be resolved promptly and that, should it ever be necessary, the Charity can be discontinued in an orderly way.

Our wholly owned subsidiary, the Centre for the Magic Arts Trading Ltd (CMAT) is responsible for handling all the trading activities relating to shows, venue hire and bar and shop sales, while the Foundation (the parent charity) handles the upkeep of the Headquarters and staff/contractor employment (recharging a proportion of its costs to CMAT). I am pleased to note that CMAT was again able to generate a surplus in 2024-25.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

HS2

The HS2 project continues to reshape the landscape around our Headquarters, presenting both challenges and opportunities as we manage its impact. Paused by the Tory Government, HS2 appears to be moving forward again under the Labour Government, which has committed to funding tunnelling through to Euston Station. This means that construction adjacent to our Headquarters is expected to resume soon, with a timeline extending well beyond 2030. Consequently, we anticipate that disruption and construction traffic will continue to affect visitor access and corporate hire opportunities for the foreseeable future.

Our consultants, whose services are partly funded by HS2, provide essential insights on the stability of our foundations and monitor closely reports on construction related movement in our building. The Foundation anticipates that this coming year a claim will be lodged with HS2 to carry out structural repairs needed as a result of movement and construction related wear and tear.

To protect our interests, we have a TMC representative group which issues regular updates and ensures our needs are understood at every level.

Through the combined expertise of our trustees, consultants, and dedicated team members, we are ensuring that The Magic Circle headquarters remains resilient and adaptable, working to secure a vibrant future for our members and the wider community we serve.

Outlook for 2025-26

We anticipate the outcome for the current year 2024-25 to remain challenging for us.

The current economic situation together with the on-going HS2 development around us will continue to impact our corporate hire business which is a significant source of revenue.

More positively, we have been working with our interim team, TMC Council, particularly the Live Events Committee, to deliver a more live events that ever at the Headquarters. These events have proved to be very popular and have attracted more visitors to our HQ, enabling us to reach a wider audience which is an excellent outcome. As this work progresses, we intend to work with TMC Council to further refine these events to minimise expenditure and maximise income without sacrificing quality, while maintaining our focus on our charitable objectives.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Looking Forward

The Board is currently exploring ways to professionalise the work of CMAT to ensure it can become the right organisation to run the day-to-day operations of the building.

Young Magicians Club

Since April 2019, the Foundation has been responsible for the Young Magicians Club (YMC), TMC's long-running youth initiative. YMC is a key avenue for furtherance of the Foundation's educational objective which is a central aspect of our charitable status. I would like to thank the two co-Chairs, Edward Hilsum and Harry De Cruz, both of whom are former YMC members, for their commitment to the YMC, and the energy and enthusiasm that they have brought to this. As they come to the end of their tenure in this post, we look forward to welcoming and supporting Robbie Stevens, the new YMC Chair.

The Current Board

The Foundation Board is currently made up of five trustees: Marvin Berglas, Sarah Campbell, Stuart Scott (Secretary), David Walsh, and me, Vimal Tilakapala (Chair). We are in the process of bringing in a new treasurer and are currently seeking TMC members with the requisite skills to bring the Board membership up to nine people.

The Foundation is, as always, extremely grateful to members of TMC who give their time and talent to put on our fantastic shows, particularly the Christmas Show as well as the "Monday Morning Magic," "History and Mystery at The Magic Circle" and the "Close-Up at The Magic Circle" events. These shows consistently receive reports of high client satisfaction. In a market place which requires us to compete with the latest blockbuster films and West End theatre on our doorstep, we are proud to consistently field world class magical performers and to sell out many of our public events.

We are enormously grateful to those who volunteer in TMC museum, archive and library. It is only through their dedication and expertise that we are able to preserve and manage our world class collection of books, videos and historic artefacts. We thank them for their ongoing work.

I offer a heartfelt "Thank You" to you all, and to my fellow Trustees, who are also, with me, volunteers. Your continued support and enthusiasm are essential to the success of our wonderful organisation.

Vimal Tilakapala
Chair of the Board

Date:

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also Directors and Members of The Magic Circle Foundation Limited (“the company”) for the purpose of company law, are responsible, through the Board of Trustees for overseeing the business of the charity and hereby present their report and the independently examined financial statements for the year ended 31 March 2025.

The financial statements comply with the Charities Act 2011 and the 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).

Structure, governance and management

The company is a registered charity (no.297582) limited by guarantee. The company was incorporated on 17 August 1987 and was established under a Memorandum of Association, which identifies the object and powers of the charitable company. The company is governed under its Articles of Association. The Memorandum and Articles were brought up to date and approved by the members of the Centre for the Magic Arts Limited (the former name of The Magic Circle Foundation Limited) at the AGM of 5 October 2015.

In the event of the company being wound up, members of the company are required to contribute an amount not exceeding £1.

The Trustees of the company at the date of the 2025 AGM, are:

Mr Marvin Berglas, Ms SJ Campbell, Mr SA Scott, Mr V Tilakapala, Mr D Walsh

We thank our new bookkeepers Suzanne Kaufman and Danielle Creme for dealing with financial matters so efficiently during this period.

New Trustees are appointed by the Board of Trustees in the short term and elected by the members at the first available AGM according to Article 57. Under the requirements of the Articles of Association the longest serving committee members at the time of the AGM must retire and may offer themselves for re-election. There are currently 488 Members of the company (including the Directors) each of whom pays a £1 annual subscription through their membership subscription to The Magic Circle (TMC) renewable in the Spring of each year and who are entitled to vote at the AGM. We require that each member of the company gives their consent at each renewal of their TMC membership to continue also to be a member of the company. This is addressed with members by TMC at the time of their renewal of TMC membership.

The members of the board are considered to be key management and do not receive any remuneration for their role as board member.

The Trustees hold regular board meetings to review company performance and to establish and monitor actions to fulfil their responsibilities. Should there be a need for any urgent action between scheduled meetings, then the board communication system by e-mail is considered quite sufficient.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

The subsidiary company, Centre for the Magic Arts Trading Ltd (CMAT Ltd) is registered at Companies House (a private limited company incorporated 26 October 2011; company number 07824803). The business of CMAT Ltd is reported and monitored through the board of trustees meeting. The three Directors of CMAT Ltd are Mr Marvin Berglas, Ms Sarah Campbell and Mr Stuart Scott. This combined management system simplifies the administrative burden of the two companies. The clear separation between the two companies can be seen at the financial accounts level as reported below and in the annual report for CMAT Ltd. Unless otherwise specified, in this annual report “the company” refers to the charity TMCF Ltd and its subsidiary CMAT Ltd together.

Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Objectives and Activities

The main object of the charity, TMCF Ltd, is to promote the education of the public in the history and practice of the art of magic, by:

- maintaining a library and museum of magic works and artefacts.
- promoting public lectures; and
- providing or assisting in the provision of a centre for meetings, lectures, classes and other forms of education for the benefit of the public.

Specifically, there are morning entertainments for families, lunchtime entertainments for institutes, rotary clubs and similar bodies all at a reduced rate when compared with the evening events; there are also free events for local schools and disadvantaged children offered to the local council; and the library is made available in the presence of a librarian free of charge to all of those conducting academic research. Special charitable events are also organised as fund-raisers, and we are very grateful to all of those who give freely of their time to organise and perform at these events.

The main objective of the subsidiary, CMAT Ltd, is to generate enough income through commercial activities to be able to maintain our building and to fund charitable activities.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and Activities (continued)

Achievements and performance

Despite the on-going uncertain economic conditions, the company managed to generate a combined surplus for 2024-25. This can be compared favourably with an overall loss for 2022-23. This was achieved through a review of cost pressures and implementation of findings, plus increased revenue from shows and venue hire.

Corporate venue hire is an important element of our business strategy, but we have also sought to increase our income from public-facing performances. The future for corporate venue hire continues to be assessed.

The company is, as always, very grateful for the hard work of its management team and thanks them very much. It also will continue to rely very heavily on its many volunteers who give freely of their time to help at public events. Without this generous time commitment, it would not be possible to run these events. The Trustees are very grateful for this loyal support, which, although it cannot be quantified in the accounts, is exceptionally valuable and is much appreciated. Thank you all!

HS2 construction around Euston Station remains an ongoing despite the cancellation of certain aspects of HS2. Plans are being shared with us through the Stephenson Way Group of charities (SWG) and access to our building will continue to be restricted, although not totally closed. The members of SWG, who all own premises around Stephenson Way, are The Royal College of General Practitioners, The Wellcome Foundation, The Quaker House, The Wesley Hotel (International Methodists Centre), The Royal College of Ophthalmologists, and The Royal Asiatic Society. All these organisations are charities. We are very grateful for the contributions that these charities make alongside us when working on HS2 matters.

It is our intention to review the longer-term sustainability of the trading company in the coming months and explore ways to improve how it functions. We do expect the trading conditions to continue to be challenging but we have confidence that we have sufficient reserves to sustain the Foundation in the short to medium term.

Financial review

Since 2013 all trading activities and public performances have been accounted for in the books of CMAT, the wholly owned subsidiary of TMCF. This has been done to comply with the requirements of the Charity Commission. TMCF continues to manage the building at 12 Stephenson Way and to employ the staff needed to run the charity and administer all the activities of the two companies. TMCF then charges an administration and management fee to CMAT for its share of these costs. Finally, CMAT remits all its profit for the year back to TMCF by way of a charitable donation.

Despite the on-going challenges during 2024-25 the trading company made a surplus of £26,820 compared with a surplus in 2023-24 of £47,961, and a loss in 2022-23.

Despite making a profit in 2024-25 the trading company was unable to make a donation to TMCF as it is only able to distribute positive reserves. The trading company is required to make sufficient profit to counter the losses experienced during the COVID pandemic before any profits can be distributed to TMCF. Prior to the first lockdown in 2020 the trading company had never made a loss since it started trading in 2013

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

The main components of the loss this year for the Foundation were:

£ 2,547	increase in general income
£ 11,980	increase in YMC income
£ (8,519)	increase in utility costs
£ 7,991	decrease in other operating costs
£ (19,639)	increase in cost due to YMC activities
£ (5,640)	Total net change

The loss for the year combined with the surplus made by the trading company equates to an overall loss of £45,527 taking the reserves of both companies together to £359,376 of which only £1,220 is restricted.

At the year-end we had cash at bank and in hand in both companies together of just over £322,000,

Independent Examination

Independent examination, an approach permitted by the Charity Commission, is a simpler and less expensive form of external scrutiny than a full audit. Trustees consider which version of external scrutiny, independent examination or audit, they believe is in the best interests of the company, including its subsidiary, at the time. The Board had previously determined that in 2024-25 a full audit should be conducted, but given an increase in the cost of the audit, this proved overly burdensome at this time. The two companies, TMCF and CMAT, are reviewed separately.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Reserves Policy and Review

The charitable company aims to maintain reserves sufficient for its effective operations and as a provision for refurbishment costs, normal maintenance and running costs.

The Trustees regularly monitor and discuss the opportunities available to the charitable company and the risks to which it is exposed.

The Trustees consider and review the financial performance of the charitable company in terms of income generation from commercial activities and public events while controlling the costs of the maintenance and upkeep of the building through the CMAT operations team and support staff.

The prospects for future periods are considered at each Trustees' Board Meeting to ensure that the company can meet its objectives and to ensure reserves are in place to enable the on-going success of the company.

Plans for Future Periods

The CMAT team works with the Board of Trustees to find new ways of improving and adapting the business.

The commercial activities of the subsidiary company are seen as vital for maintaining the on-going success of the charity. Funds continue to be required for a programme of maintenance and refurbishment of The Magic Circle building. To this end we intend to continue, with the help and support of members of The Magic Circle, to develop the events programme. We will also continue to look at ways to maximise income from the corporate hire of the building. The current economic uncertainties will continue to keep trading conditions challenging. This will continue to be closely monitored.

Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit.

Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the short to medium term. However, the ongoing uncertainty regarding the economic climate will require the Centre Director and the board to continuously monitor and review the impact on the Foundation and the trading subsidiary.

Fundraising

As part of the Foundation's strategy, the Board will be considering types of additional fundraising that could be undertaken, and how this might be done and is aware of the code issued by the Fundraising Regulator.

Risk Management

The board conducts reviews of the major risks facing the company, which are recorded in a risk register,

- The establishment of systems and controls to mitigate the risks identified; and
- The implementation of procedures designed to minimise any potential impact on the company should any of those risks materialise.

As with the management of financial reserves, emerging risks that the company faces are considered at committee meetings and strategies, controls and systems developed to help mitigate each risk.

While the current economic uncertainties remain, the Trustees are naturally unable to predict the associated risks with any degree of certainty. However, with the existing levels of reserves, the Trustees believe that the Foundation is well placed to cope with these challenges.

Statement of Trustees Responsibilities

The Trustees (who are also members and directors of The Magic Circle Foundation Limited for the purpose of

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

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

Company law 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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company 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 accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- a) there is no relevant information of which the charitable company's independent examiners are unaware; and
- b) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiners are aware of that information.

Small Company Exemption

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Stuart Scott
Secretary
Date:

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees (who are also the directors of the Company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Independent Examiner's Report to the Trustees of The Magic Circle Foundation Limited ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Daniel Walters

Harris & Trotter LLP
101 New Cavendish Street
1st Floor South
London
W1W 6XH
Date: 26 January 2025

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	2	1,916	-	1,916	5,863
Charitable activities	3	24,236	-	24,236	24,884
Other trading activities	4	184,006	-	184,006	151,410
Investments	5	521	-	521	435
Total income		210,679	-	210,679	182,592
Expenditure on:					
Raising funds		256,756	-	256,756	180,908
Charitable activities	6	26,270	-	26,270	32,792
Total expenditure		283,026	-	283,026	213,700
Net movement in funds		(72,347)	-	(72,347)	(31,108)
Reconciliation of funds:					
Total funds brought forward		443,463	1,220	444,683	475,791
Net movement in funds		(72,347)	-	(72,347)	(31,108)
Total funds carried forward		371,116	1,220	372,336	444,683

There are no other recognised gains and losses other than those shown above.

Since 1 April 2013 trading activities and public events have been managed by Centre for the Magic Arts Trading Ltd (CMAT), a wholly owned subsidiary of The Magic Circle Foundation Limited ("TMCF") (formerly Centre for the Magic Arts Limited). Profits generated by CMAT are paid to TMCF by way of a charitable donation.

The notes on pages 16 to 28 form part of these financial statements.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02155182

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	11	7,592	3,409
		<u>7,592</u>	<u>3,409</u>
Current assets			
Debtors	12	307,111	390,722
Cash at bank and in hand		84,078	85,132
		<u>391,189</u>	<u>475,854</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(24,582)	(22,069)
Net current assets		<u>366,607</u>	<u>453,785</u>
Total assets less current liabilities		<u>374,199</u>	<u>457,194</u>
Creditors: amounts falling due after more than one year	14	(1,863)	(12,511)
Net assets excluding pension asset		<u>372,336</u>	<u>444,683</u>
Total net assets		<u><u>372,336</u></u>	<u><u>444,683</u></u>
Charity funds			
Restricted funds	15	1,220	1,220
Unrestricted funds	15	371,116	443,463
Total funds		<u><u>372,336</u></u>	<u><u>444,683</u></u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02155182

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on
and signed on their behalf by:

Marvin Berglas
Director

The notes on pages 16 to 28 form part of these financial statements.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Magic Circle Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL 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, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%
Library books	-	25%
Computer equipment	-	33%

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.9 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

1.10 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

1.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Donations	1,916	1,916	5,863
<i>Total 2024</i>	<u>5,863</u>	<u>5,863</u>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
YMC - Subscriptions	11,330	11,330	13,327
Magic Circle	-	-	1,100
YMC - J Day	3,666	3,666	2,159
YMC Workshop	4,583	4,583	5,107
YMC - Other income	4,657	4,657	3,191
	<u>24,236</u>	<u>24,236</u>	<u>24,884</u>
<i>Total 2024</i>	<u>24,884</u>	<u>24,884</u>	

4. Income from other trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Rental income	35,000	35,000	35,000
Management fee	149,006	149,006	116,410
	<u>184,006</u>	<u>184,006</u>	<u>151,410</u>
<i>Total 2024</i>	<u>151,410</u>	<u>151,410</u>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Bank interest received	521	521	435
	<u>521</u>	<u>521</u>	<u>435</u>
<i>Total 2024</i>	<u>435</u>	<u>435</u>	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Total 2025 £	<i>Total 2024 £</i>
YMC expenses	24,770	24,770	25,832
Independent examination fee	1,500	1,500	3,250
Workshop costs	-	-	2,900
Legal and professional fee	-	-	810
	<u>26,270</u>	<u>26,270</u>	<u>32,792</u>
<i>Total 2024</i>	<u>32,792</u>	<u>32,792</u>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
YMC expenses	24,770	24,770	25,832
Independent examination fee	1,500	1,500	3,250
Workshop costs	-	-	2,900
Legal and professional fee	-	-	810
	<hr/>	<hr/>	<hr/>
	26,270	26,270	32,792
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2024</i>	32,792	32,792	
	<hr/> <hr/>	<hr/> <hr/>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Expenses breakdown

	Trading activities & public events (recharged to Centre CMAT)	Management	Governance	Direct costs	Total 2025	Total 2024
	£	£	£	£	£	£
Direct costs						
Music licence	-	-	-	1,742	1,742	-
Costs allocated directly to activities:						
Independent examination	-	-	3,250	-	3,250	4,450
Young Magicians Club	-	-	25,832	-	25,832	1,419
Workshop costs	-	-	2,900	-	2,900	-
Legal and professional fee	-	-	810	-	810	-
Support costs for activities						
Staff costs	37,510	19,325	-	-	56,835	72,419
Premises costs	59,859	31,357	-	-	91,216	91,036
Office costs	5,240	2,480	-	-	7,720	11,915
Bookkeeping and payroll services	12,662	6,523	-	-	19,185	-
Bank charges and interest	407	2,627	-	-	3,034	3,146
Depreciation	730	446	-	-	1,176	4,438
Total	<u>116,408</u>	<u>62,758</u>	<u>32,792</u>	<u>1,742</u>	<u>213,700</u>	<u>188,823</u>

8. Independent examiner's remuneration

	2025	2024
	£	£
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	<u>3,250</u>	<u>3,250</u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Staff costs

	2025	<i>2024</i>
	£	£
Wages and salaries	55,000	<i>55,133</i>
Social security costs	1,335	<i>1,335</i>
Contribution to defined contribution pension schemes	-	<i>367</i>
	56,335	<i>56,835</i>

The average number of persons employed by the Company during the year was as follows:

	2025	<i>2024</i>
	No.	No.
Centre Director	1	<i>1</i>

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2024 - £NIL*).

During the year ended 31 March 2025, no Trustee expenses have been incurred (*2024 - £NIL*).

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

11. Tangible fixed assets

	Library books £	Library books £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2024	230,489	6,590	24,330	261,409
Additions	5,946	-	666	6,612
At 31 March 2025	<u>236,435</u>	<u>6,590</u>	<u>24,996</u>	<u>268,021</u>
Depreciation				
At 1 April 2024	227,845	6,590	23,565	258,000
Charge for the year	1,608	-	821	2,429
At 31 March 2025	<u>229,453</u>	<u>6,590</u>	<u>24,386</u>	<u>260,429</u>
Net book value				
At 31 March 2025	<u>6,982</u>	-	<u>610</u>	<u>7,592</u>
At 31 March 2024	<u>2,644</u>	-	<u>765</u>	<u>3,409</u>

12. Debtors

	2025 £	2024 £
Due within one year		
Amounts owed by group undertakings	259,506	365,042
Other debtors	22,960	1,367
Prepayments and accrued income	24,645	24,313
	<u>307,111</u>	<u>390,722</u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Creditors: Amounts falling due within one year

	2025 £	2024 £
Bank loans	10,648	10,648
Other taxation and social security	9,688	2,853
Other creditors	4,246	2,319
Accruals and deferred income	-	6,249
	<u>24,582</u>	<u>22,069</u>

14. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Bank loans	1,863	12,511
	<u>1,863</u>	<u>12,511</u>

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
Unrestricted funds				
General Funds - all funds	443,463	210,679	(283,026)	371,116
	<u>443,463</u>	<u>210,679</u>	<u>(283,026)</u>	<u>371,116</u>
Restricted funds				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>1,220</u>
Total of funds	<u>444,683</u>	<u>210,679</u>	<u>(283,026)</u>	<u>372,336</u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2023</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Balance at 31 March 2024</i> £
Unrestricted funds				
General Funds - all funds	474,571	182,592	(213,700)	443,463
Restricted funds				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	1,220	-	-	1,220
Total of funds	475,791	182,592	(213,700)	444,683

16. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
General funds	443,463	210,679	(283,026)	371,116
Restricted funds	1,220	-	-	1,220
	444,683	210,679	(283,026)	372,336

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at</i> <i>1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at</i> <i>31 March</i> <i>2024</i>
	£	£	£	£
General funds	474,571	182,592	(213,700)	443,463
Restricted funds	1,220	-	-	1,220
	475,791	182,592	(213,700)	444,683
	475,791	182,592	(213,700)	444,683

17. Pension commitments

The company charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £nil (2024 - £367) were payable to the fund at the balance sheet date and are included in creditors.

18. Related party transactions

During the year the company charged The Magic Circle £35,000 (2024: £35,000) rent for the use of 12 Stephenson Way. M Berglas, who was a trustee of The Magic Circle Foundation Limited during the year, is also a member of the Council of The Magic Circle.

The Magic Circle granted The Magic Circle Foundation Ltd an 80 year lease of the premises at 12 Stephenson Way in 1998 at a rent of 20% of the company' turnover in excess of £250,000.

During the year the company raised management fees £149,006 (2024: £116,410) to the subsidiary CMAT.

19. Subsidiary undertakings

The company has incorporated a subsidiary: Centre for the Magic Arts Trading Limited ("CMAT").

The company owns 100% of the ordinary share capital of CMAT, comprising one share with par value of £1.

Since 1 April 2013 trading activities and public events have been managed by CMAT. Profits generated by CMAT are paid to the company by way of a charitable donation when there are sufficient reserves.

The subsidiary generated a net profit of £26,820 (2024: £47,961) in the year.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. Limited by Guarantee

The company is limited by guarantee, each member having guaranteed to pay a maximum of £1 should the company be wound up. At present, there are 488 members, including three independent Trustees.

THE MAGIC CIRCLE FOUNDATION LIMITED

England & Wales - Charity number 297582

Accounts

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Chairman's Statement	2 - 4
Trustees' Report	5 - 8
Trustees' Responsibilities Statement	9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12 - 13
Notes to the Financial Statements	14 - 26

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Marvin Berglas (appointed 4 September 2023) Martin Kaufman Vimal Tilakapala Neil Pritchard Stuart Scott Sarah Campbell Barry Harris Garry Thomas Megan Knowles-Bacon (resigned 4 September 2023)
Company registered number	02155182
Charity registered number	297582
Registered office	101 New Cavendish Street 1st Floor South London W1W 6XH
Principal operating office	The Centre for the Magic Arts 12 Stephenson Way Kings Cross London NW1 2HD
Company secretary	Stuart Scott

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

The chairman presents his statement for the year.

This financial year (2023-24) we are very pleased to have welcomed as members of the Magic Circle Foundation Limited (the Foundation), 453 members of The Magic Circle (TMC). This brings our total membership to 456. Only three members of TMCF are not members of TMC. These are our three Independent Trustees, Martin Kaufman, Neil Pritchard, and me. It is the responsibility of members of the charity to monitor the progress of the charity through this annual report and accounts, to give realistic and implementable advice to the board and to help wherever practical.

Financial Results

Trading conditions, in terms of overall income, have continued to improve throughout 2023-24 following the impact of COVID -19 in 2020-21 and the gradual recovery throughout 2021-22 and 2022-23. We managed to increase our overall combined (the Foundation and its trading company) income in 2023-24. I am pleased to report that despite inflationary pressures an overall surplus for 2023-24 has been achieved compared with a loss for the 2022-23 financial year. A contributory factor has been improved trading conditions.

Our financial results are explained in more detail in the Trustees' Annual Report below, but highlights include (to the nearest hundred pounds):

An annual consolidated surplus of £16,900

This represents a loss for TMCF of £31,100 combined with a trading profit of £48,000

Combined reserves now stand at £404,900.

Reserves are necessary to ensure that any emergency concerning the viability of The Magic Circle headquarters at 12 Stephenson Way (our Headquarters) can be resolved promptly and that, should it ever be necessary, the Charity can be discontinued in an orderly way.

Our wholly owned subsidiary, the Centre for the Magic Arts (Trading) Ltd (CMAT) is responsible for handling all the trading activities relating to shows, venue hire and bar and shop sales, while the Foundation (the parent charity) handles the upkeep of the Headquarters and staff/contractor employment (recharging a proportion of its costs to CMAT). I am pleased to note that CMAT was again able to generate a surplus in 2023-24.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

HS2

The HS2 project continues to reshape the landscape around our Headquarters, presenting both challenges and opportunities as we manage its impact. Paused by the Tory Government, HS2 appears to be moving forward again under the Labour Government, which has committed to funding tunnelling through to Euston Station. This means that construction adjacent to our Headquarters is expected to resume soon, with a timeline extending well beyond 2030. Consequently, we anticipate that disruption and construction traffic will continue to affect visitor access and corporate hire opportunities for the foreseeable future.

As a trustee, Garry Thomas, our architect and Magic Circle member, continues to oversee our coordinated HS2 response working with specialist representatives to address foundational and structural matters impacting our building. Our consultants, whose services are partly funded by HS2, provide essential insights on the stability of our foundations and monitor closely reports on construction related movement in our building. The Foundation anticipates that this coming year a claim will be lodged with HS2 to carry out structural repairs needed as a result of movement and construction related wear and tear.

To protect our interests, we have a TMC representative group which issues regular updates and ensures our needs are understood at every level.

In terms of building safety, this year we have proactively implemented policies to ensure safe stage access and fire evacuation compliance from our theatre space and agreed additional methods of accessing the stage using a temporary handrail system. Additionally, a comprehensive policy for the installation and inspection of electrical equipment has been established. Currently, plans are underway to form a Building Committee dedicated to overseeing cost-effective repairs and decoration. This committee will include tradespeople and building management professionals who align with our fundraising strategy to support the future development of our Headquarters, enhancing both space and facilities for TMC members and guests.

Through the combined expertise of our trustees, consultants, and dedicated team members, we are ensuring that The Magic Circle headquarters remains resilient and adaptable, working to secure a vibrant future for our members and the wider community we serve.

Outlook for 2024-25

We anticipate the outcome for the current year 2024-25 to remain challenging for us as HQ and the current economic situation have had an impact on our corporate hire business.

We have been working with TMC Council, particularly the Live Events Committee, to deliver a trial run of more live events than ever at the Headquarters. These events have proved to be very popular and have attracted more visitors to our HQ, enabling us to reach a wider audience which is an excellent outcome. The trial includes increasing payments to performers and a move away from our almost exclusive reliance on unpaid volunteers with a view to a higher degree of commercialisation and scale. The extra expense together with more frequent usage of the building increases our overhead costs although this is offset by higher revenue from greater ticket sales. As this work progresses, we intend to work with TMC Council to further refine these events to minimise expenditure and maximise income without sacrificing quality and while maintaining our focus on our charitable objectives.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Looking Forward

The Board has been working to develop a clear strategic direction for the Foundation. Led by Trustees Neil Pritchard and Martin Kaufman. The Board has completed a review of our mission, values and objectives. We have explored where we are as an organisation, and how we feel the Foundation should develop. We have reached out to key Magic Circle volunteers from the museum, library, archive, theatre team, public events team, YMC and TMC Council and conducted a fact-finding exercise. We intend this to form the basis for a fund-raising strategy to help us expand and improve the impact of the Foundation.

In the coming year, we shall be exploring ways to improve how CMAT is run and managed, and how the Foundation deals with operational matters and building upkeep.

Young Magicians Club

Since April 2019, the Foundation has been responsible for the Young Magicians Club (YMC), TMC's long-running youth initiative. YMC is a key avenue for furtherance of the Foundation's educational objective which is a central aspect of our charitable status. I would like to thank the two co-Chairs, Edward Hilsum and Harry De Cruz, both of whom are former YMC members, for their on-going commitment to the YMC, and the energy and enthusiasm that they bring to this.

The Current Board

We welcomed Marvin Berglas to the Board at the beginning of the reporting period. As the duly elected President of The Magic Circle, Marvin became an ex-officio member of the Foundation Board. Marvin has brought a drive and ambition to the work of the Foundation and has worked hard to align the work of Council and the Board.

The Foundation Board is currently made up of eight trustees: Marvin Berglas, Sarah Campbell, Martin Kaufman, Barry Harris (Treasurer), Neil Pritchard, Stuart Scott (Secretary), Garry Thomas, and me, Vimal Tilakapala (Chair). In the coming year, we will seek to recruit a ninth trustee.

The Foundation is, as always, extremely grateful to members of TMC who give their time and talent to put on our fantastic shows, particularly the Christmas Show as well as the ever-popular "The Magic Circle Mysteries", "Monday Morning Magic," "History and Mystery at The Magic Circle" and the "Close-Up at The Magic Circle" events. These shows consistently receive reports of high client satisfaction. In a market place where we must compete with the latest blockbuster films and West End theatre on our doorstep, we are proud to consistently field world class magical performers and to sell out most of our public events.

We are enormously grateful to those who volunteer in TMC museum, archive and library. It is only through their dedication and expertise that we are able to preserve and manage our world class collection of books, videos and historic artefacts. We thank them for their ongoing work.

I offer a heartfelt "Thank You" to you all, and to my fellow Trustees, who are also, with me, volunteers. Your continued support and enthusiasm are essential to the success of our wonderful organisation.

Chairman

Date: 13 November 2024

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the financial statements of the Company for the year 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

The company is a registered charity (no.297582) limited by guarantee. The company was incorporated on 17 August 1987 and was established under a Memorandum of Association, which identifies the object and powers of the charitable company. The company is governed under its Articles of Association. The Memorandum and Articles were brought up to date and approved by the members of the Centre for the Magic Arts Limited (the former name of The Magic Circle Foundation Limited) at the AGM of 5 October 2015.

In the event of the company being wound up, members of the company are required to contribute an amount not exceeding £1.

The Trustees of the company at the date of the 2024 AGM, are:

Mr Marvin Berglas, Ms SJ Campbell, Mr B Harris, Mr SA Scott,
Mr G Thomas, Mr M Kauffman, Mr N Pritchard, Mr V Tilakapala

We thank our accountant (Karen Butler) and bookkeeper (Sally Young) for dealing with financial matters so efficiently during this period.

New Trustees are appointed by the Board of Trustees in the short term and elected by the members at the first available AGM according to Article 57. Under the requirements of the Articles of Association the longest serving committee members at the time of the AGM must retire and may offer themselves for re-election. There are currently 456 Members of the company (including the Directors) each of whom pays a £1 annual subscription through their membership subscription to The Magic Circle (TMC) renewable in the Spring of each year and who are entitled to vote at the AGM. We require that each member of the company gives their consent at each renewal of their TMC membership to continue also to be a member of the company. This is addressed with members by TMC at the time of their renewal of TMC membership.

The members of the board are considered to be key management and do not receive any remuneration for their role as board member.

The Trustees hold regular board meetings to review company performance and to establish and monitor actions to fulfil their responsibilities. Should there be a need for any urgent action between scheduled meetings, then the board communication system by e-mail is considered quite sufficient.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

The subsidiary company, Centre for the Magic Arts Trading Ltd (CMAT Ltd) is registered at Companies House (a private limited company incorporated 26 October 2011; company number 07824803). The business of CMAT Ltd is reported and monitored through the board of trustees meeting. The two Directors of CMAT Ltd are Mr Barry Harris, Treasurer of TMCF, and Mr Darren Martin, the Centre Director. This combined management system simplifies the administrative burden of the two companies. The clear separation between the two companies can be seen at the financial accounts level as reported below and in the annual report for CMAT Ltd. Unless otherwise specified, in this annual report "the company" refers to the charity TMCF Ltd and its subsidiary CMAT Ltd together.

Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The Centre Director works with the Board of Trustees to find new ways of improving and adapting the business.

The commercial activities of the subsidiary company are seen as vital for maintaining the on-going success of the charity. Funds continue to be required for a programme of maintenance and refurbishment of The Magic Circle building. To this end we intend to continue, with the help and support of members of The Magic Circle, to develop the events programme. We will also continue to look at ways to maximise income from the corporate hire of the building. The current economic uncertainties will continue to keep trading conditions challenging. This will continue to be closely monitored.

Objectives and activities

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The main object of the charity, TMCF Ltd, is to promote the education of the public in the history and practice of the art of magic, by:

- maintaining a library and museum of magic works and artefacts.
- promoting public lectures; and
- providing or assisting in the provision of a centre for meetings, lectures, classes and other forms of education for the benefit of the public.

Specifically, there are morning entertainments for families, lunchtime entertainments for institutes, rotary clubs and similar bodies all at a reduced rate when compared with the evening events; there are also free events for local schools and disadvantaged children offered to the local council; and the library is made available in the presence of a librarian free of charge to all of those conducting academic research. Special charitable events are also organised as fund-raisers, and we are very grateful to all of those who give freely of their time to organise and perform at these events.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

The main objective of the subsidiary, CMAT Ltd, is to generate enough income through commercial activities to be able to maintain our building and to fund charitable activities.

Achievements and performance

Despite the on-going uncertain economic conditions, the company managed to generate a combined surplus for 2023-24. This can be compared favourably with an overall loss for 2022-23. This was achieved through a review of cost pressures and implementation of findings, plus increased revenue from shows and venue hire.

Corporate venue hire is an important element of our business strategy, but we have also sought to increase our income from public-facing performances. The future for corporate venue hire continues to be assessed.

The company is, as always, very grateful for the hard work of its management team and thanks them very much. It also will continue to rely very heavily on its many volunteers who give freely of their time to help at public events. Without this generous time commitment, it would not be possible to run these events. The Trustees are very grateful for this loyal support, which, although it cannot be quantified in the accounts, is exceptionally valuable and is much appreciated. Thank you all!

HS2 construction around Euston Station remains an ongoing despite the cancellation of certain aspects of HS2. Plans are being shared with us through the Stephenson Way Group of charities (SWG) and access to our building will continue to be restricted, although not totally closed. The members of SWG, who all own premises around Stephenson Way, are The Royal College of General Practitioners, The Wellcome Foundation, The Quaker House, The Wesley Hotel (International Methodists Centre), The Royal College of Ophthalmologists, and The Royal Asiatic Society. All these organisations are charities. We are very grateful for the contributions that these charities make alongside us when working on HS2 matters.

It is our intention to review the longer-term sustainability of the trading company in the coming months and explore ways to improve how it functions. We do expect the trading conditions to continue to be challenging but we have confidence that we have sufficient reserves to sustain the Foundation in the short to medium term.

Financial review

Since 2013 all trading activities and public performances have been accounted for in the books of CMAT, the wholly owned subsidiary of TMCF. This has been done to comply with the requirements of the Charity Commission. TMCF continues to manage the building at 12 Stephenson Way and to employ the staff needed to run the charity and administer all the activities of the two companies. TMCF then charges an administration and management fee to CMAT for its share of these costs. Finally, CMAT remits all its profit for the year back to TMCF by way of a charitable donation.

Despite the on-going challenges during 2023-24 the trading company made a surplus of £47,961 compared with a surplus in 2022-23 of £22,585, and a loss in 2021-22. A year on year improvement can be demonstrated, It should be noted that the consolidated position of the two companies is an overall surplus of £16,853.

Despite making a profit in 2023-24 the trading company was unable to make a donation to TMCF as it is only able to distribute positive reserves. The trading company is required to make sufficient profit to counter the losses experienced during the COVID pandemic before any profits can be distributed to TMCF. Prior to the first lockdown in 2020 the trading company had never made a loss since it started trading in 2013

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

The main components of the loss this year for the Foundation were:

£5,183	increase in general income
£11,980	increase in YMC income
£(8,519)	increase in utility costs
£3,289	decrease in other operating costs
£(19,639)	increase in cost due to YMC activities
£(7,706)	total net change

The loss for the year combined with the surplus made by the trading company equates to an overall surplus of £16,853 taking the reserves of both companies together to £404,903 of which only £1,220 is restricted.

At the year-end we had cash at bank and in hand in both companies together of just over £422,000, an increase of £3,000 over the previous year (to the nearest thousand pounds).

Going concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the short to medium term. However, the ongoing uncertainty regarding the economic climate will require the Centre Director and the board to continuously monitor and review the impact on the Foundation and the trading subsidiary.

Reserves policy

The charitable company aims to maintain reserves sufficient for its effective operations and as a provision for refurbishment costs, normal maintenance and running costs.

The Trustees regularly monitor and discuss the opportunities available to the charitable company and the risks to which it is exposed.

The Trustees consider and review the financial performance of the charitable company in terms of income generation from commercial activities and public events while controlling the costs of the maintenance and upkeep of the building through the Centre Director and support staff.

The prospects for future periods are considered at each Trustees' Board Meeting to ensure that the company can meet its objectives and to ensure reserves are in place to enable the on-going success of the company.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Stuart Scott
Trustee
Date: 13 November 2024

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees (who are also the directors of the Company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Independent Examiner's Report to the Trustees of The Magic Circle Foundation Limited ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Daniel Walters

Harris & Trotter LLP
101 New Cavendish Street
1st Floor South
London
W1W 6XH
Date: 13 November 2024

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	2	5,863	-	5,863	2,200
Charitable activities	3	24,884	-	24,884	9,676
Other trading activities	4	151,410	-	151,410	153,430
Investments	5	435	-	435	123
Total income		182,592	-	182,592	165,429
Expenditure on:					
Raising funds	7	180,908	-	180,908	187,292
Charitable activities	6	32,792	-	32,792	1,530
Total expenditure		213,700	-	213,700	188,822
Net movement in funds		(31,108)	-	(31,108)	(23,393)
Reconciliation of funds:					
Total funds brought forward		474,571	1,220	475,791	499,184
Net movement in funds		(31,108)	-	(31,108)	(23,393)
Total funds carried forward		443,463	1,220	444,683	475,791

There are no other recognised gains and losses other than those shown above.

Since 1 April 2013 trading activities and public events have been managed by Centre for the Magic Arts Trading Ltd (CMAT), a wholly owned subsidiary of The Magic Circle Foundation Limited ("TMCF") (formerly Centre for the Magic Arts Limited). Profits generated by CMAT are paid to TMCF by way of a charitable donation.

The notes on pages 14 to 26 form part of these financial statements.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02155182

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	3,409	2,279
		<u>3,409</u>	<u>2,279</u>
Current assets			
Debtors	12	390,722	386,884
Cash at bank and in hand		85,132	132,600
		<u>475,854</u>	<u>519,484</u>
Creditors: amounts falling due within one year	13	(22,069)	(22,809)
Net current assets		<u>453,785</u>	496,675
Total assets less current liabilities		<u>457,194</u>	498,954
Creditors: amounts falling due after more than one year	14	(12,511)	(23,163)
Net assets excluding pension asset		<u>444,683</u>	475,791
Total net assets		<u><u>444,683</u></u>	<u><u>475,791</u></u>
Charity funds			
Restricted funds	15	1,220	1,220
Unrestricted funds	15	443,463	474,571
Total funds		<u><u>444,683</u></u>	<u><u>475,791</u></u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02155182

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 13 November 2024 and signed on their behalf by:

Stuart Scott
Director

The notes on pages 14 to 26 form part of these financial statements.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Magic Circle Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL 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, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%
Library books	-	25%
Computer equipment	-	33%

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.9 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.10 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

1.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Income from donations and legacies

	Unrestricted funds	Total funds	<i>Total funds</i>
	2024	2024	2023
	£	£	£
Donations	5,863	5,863	2,200
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2023</i>	2,200	2,200	
	<hr/> <hr/>	<hr/> <hr/>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

3. Income from charitable activities

	Unrestrict ed funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
YMC - Subscriptions	13,327	13,327	9,676
Magic Circle	1,100	1,100	-
YMC - J Day	2,159	2,159	-
YMC Workshop	5,107	5,107	-
YMC - Other income	3,191	3,191	-
	<u>24,884</u>	<u>24,884</u>	<u>9,676</u>
<i>Total 2023</i>	<u>9,676</u>	<u>9,676</u>	

4. Income from other trading activities

	Unrestrict ed funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Rental income	35,000	35,000	35,000
Management fee	116,410	116,410	118,430
	<u>151,410</u>	<u>151,410</u>	<u>153,430</u>
<i>Total 2023</i>	<u>153,430</u>	<u>153,430</u>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Investment income

	Unrestrict ed funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Bank interest received	435	435	123
	<u>435</u>	<u>435</u>	<u>123</u>
<i>Total 2023</i>	<u>123</u>	<u>123</u>	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestrict ed funds 2024 £	Total 2024 £	<i>Total 2023 £</i>
YMC expenses	25,832	25,832	1,530
Independent examination fee	3,250	3,250	-
Workshop costs	2,900	2,900	-
Legal and professional fee	810	810	-
	<u>32,792</u>	<u>32,792</u>	<u>1,530</u>
<i>Total 2023</i>	<u>1,530</u>	<u>1,530</u>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
YMC expenses	25,832	25,832	1,530
Independent examination fee	3,250	3,250	-
Workshop costs	2,900	2,900	-
Legal and professional fee	810	810	-
	<hr/>	<hr/>	<hr/>
	32,792	32,792	1,530
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2023</i>	<hr/>	<hr/>	
	1,530	1,530	
	<hr/> <hr/>	<hr/> <hr/>	

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Expenses breakdown

	Trading activities & public events (recharged to Centre CMAT) £	Management £	Governance £	Direct costs £	Total 2024 £	Total 2023 £
Direct costs						
Music licence	-	-	-	1,742	1,742	-
Costs allocated directly to activities:						
Independent examination	-	-	3,250	-	3,250	4,450
Young Magicians Club	-	-	25,832	-	25,832	1,419
Workshop costs	-	-	2,900	-	2,900	-
Legal and professional fee	-	-	810	-	810	-
Support costs for activities						
Staff costs	37,510	19,325	-	-	56,835	72,419
Premises costs	59,859	31,357	-	-	91,216	91,036
Office costs	5,240	2,480	-	-	7,720	11,915
Bookkeeping and payroll services	12,662	6,523	-	-	19,185	-
Bank charges and interest	407	2,627	-	-	3,034	3,146
Depreciation	730	446	-	-	1,176	4,438
Total	<u>116,408</u>	<u>62,758</u>	<u>32,792</u>	<u>1,742</u>	<u>213,700</u>	<u>188,823</u>

8. Independent examiner's remuneration

	2024 £	2023 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	<u>3,250</u>	<u>3,500</u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Staff costs

	2024	<i>2023</i>
	£	£
Wages and salaries	55,133	<i>55,001</i>
Social security costs	1,335	<i>1,669</i>
Contribution to defined contribution pension schemes	367	<i>-</i>
Contracted staff	-	<i>15,750</i>
	56,835	<i>72,420</i>

The average number of persons employed by the Company during the year was as follows:

	2024	<i>2023</i>
	No.	No.
Centre Director	1	<i>1</i>

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2023 - £NIL*).

During the year ended 31 March 2024, no Trustee expenses have been incurred (*2023 - £NIL*).

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Tangible fixed assets

	Fixtures and fittings £	Library books £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2023	228,182	6,590	24,330	259,102
Additions	2,307	-	-	2,307
At 31 March 2024	<u>230,489</u>	<u>6,590</u>	<u>24,330</u>	<u>261,409</u>
Depreciation				
At 1 April 2023	227,502	6,590	22,731	256,823
Charge for the year	343	-	834	1,177
At 31 March 2024	<u>227,845</u>	<u>6,590</u>	<u>23,565</u>	<u>258,000</u>
Net book value				
At 31 March 2024	<u>2,644</u>	-	<u>765</u>	<u>3,409</u>
At 31 March 2023	<u>680</u>	-	<u>1,599</u>	<u>2,279</u>

12. Debtors

	2024 £	2023 £
Due within one year		
Amounts owed by group undertakings	365,042	363,994
Other debtors	1,367	2,277
Prepayments and accrued income	24,313	20,613
	<u>390,722</u>	<u>386,884</u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loans	10,648	10,388
Other taxation and social security	2,853	-
Other creditors	2,319	8,627
Accruals and deferred income	6,249	3,794
	22,069	22,809
	22,069	22,809

14. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Bank loans	12,511	23,163
	12,511	23,163
	12,511	23,163

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
Unrestricted funds				
General Funds - all funds	474,571	182,592	(213,700)	443,463
	474,571	182,592	(213,700)	443,463
Restricted funds				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	1,220	-	-	1,220
	475,791	182,592	(213,700)	444,683
Total of funds	475,791	182,592	(213,700)	444,683

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£
Unrestricted funds				
General Funds - all funds	497,965	165,429	(188,823)	474,571
Restricted funds				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	1,220	-	-	1,220
Total of funds	499,185	165,429	(188,823)	475,791

16. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£	£	£	£
General funds	474,571	182,592	(213,700)	443,463
Restricted funds	1,220	-	-	1,220
	475,791	182,592	(213,700)	444,683

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£
General funds	497,965	165,429	(188,823)	474,571
Restricted funds	1,220	-	-	1,220
	<u>499,185</u>	<u>165,429</u>	<u>(188,823)</u>	<u>475,791</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestrict ed funds 2024	Restricted funds 2024	Total funds 2024
	£	£	£
Tangible fixed assets	3,409	-	3,409
Current assets	474,634	1,220	475,854
Creditors due within one year	(22,069)	-	(22,069)
Creditors due in more than one year	(12,511)	-	(12,511)
Total	<u>443,463</u>	<u>1,220</u>	<u>444,683</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023</i>	<i>Restricted funds 2023</i>	<i>Total funds 2023</i>
	£	£	£
Tangible fixed assets	2,279	-	2,279
Current assets	518,264	1,220	519,484
Creditors due within one year	(22,809)	-	(22,809)
Creditors due in more than one year	(23,163)	-	(23,163)
Total	<u>474,571</u>	<u>1,220</u>	<u>475,791</u>

THE MAGIC CIRCLE FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. Pension commitments

The company charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £367 (2023 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

19. Related party transactions

During the year the company charged The Magic Circle £35,000 (2023: £35,000) rent for the use of 12 Stephenson Way. M Berglas, who was a trustee of The Magic Circle Foundation Limited during the year, is also a member of the Council of The Magic Circle.

The Magic Circle granted The Magic Circle Foundation Ltd an 80 year lease of the premises at 12 Stephenson Way in 1998 at a rent of 20% of the company' turnover in excess of £250,000.

During the year the company raised management fees £116,410 (2023: £118,430) to the subsidiary CMAT.

20. Subsidiary undertakings

The company has incorporated a subsidiary: Centre for the Magic Arts Trading Limited ("CMAT").

The company owns 100% of the ordinary share capital of CMAT, comprising one share with par value of £1.

Since 1 April 2013 trading activities and public events have been managed by CMAT. Profits generated by CMAT are paid to the company by way of a charitable donation when there are sufficient reserves.

The subsidiary generated a net profit of £46,958 (2023:£22,585) in the year.

21. Limited by Guarantee

The company is limited by guarantee, each member having guaranteed to pay a maximum of £1 should the company be wound up. At present, there are 456 members, including three independent Trustees.

THE MAGIC CIRCLE FOUNDATION LIMITED

England & Wales - Charity number 297582

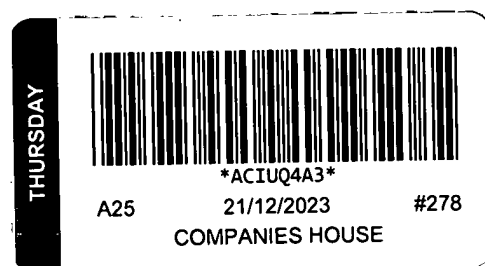
Accounts

THE MAGIC CIRCLE FOUNDATION LIMITED
(formerly Centre For The Magic Arts Limited)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2023

Company No: 02155182
Registered Charity No: 297582



Contents

Chairman's Statement	1
Company Details	4
Trustees Annual Report.....	6
Independent Examiner's Report	12
Statement of Financial Activities (incorporating income and expenditure account)	13
Balance Sheet.....	14
Notes to the Financial Statements.....	15

Chairman's Statement

This financial year (2022-23) we are very pleased to have welcomed as new members of the Magic Circle Foundation Limited (the Foundation), 339 members of The Magic Circle (TMC). This brings our total membership to 342. Only three members of TMCF are not members of TMC. These are our three Independent Trustees, Martin Kaufman, Neil Pritchard, and me. It is the responsibility of members of the charity to monitor the progress of the charity through this annual report and accounts, to give realistic and implementable advice to the board and to help wherever practical.

Financial Results

Trading conditions, in terms of overall income, have continued to improve throughout 2022-23 following the impact of COVID -19 in 2020-21 and the gradual recovery in 2021-22. In 2022-23 we managed to maintain the same overall income as the previous year but without the grant support received in that year. However, premises costs have more than doubled compared with 2021-22, the main contributing factor being large increases in energy costs. This, together with other factors mentioned below, has led to a loss for the 2022-23 financial year.

Our financial results are explained in more detail in the Trustees' Annual Report below, but highlights include (to the nearest hundred pounds):

An annual consolidated loss of £800
This represents a loss for TMCF of £23,400 combined with a trading profit of £22,600.
Combined reserves now stand at £388,050.

Reserves are necessary to ensure that any emergency concerning the viability of The Magic Circle headquarters at 12 Stephenson Way (our Headquarters) can be resolved promptly and that, should it ever be necessary, the Charity can be discontinued in an orderly way.

Our wholly owned subsidiary, the Centre for the Magic Arts (Trading) Ltd (CMAT) is responsible for handling all the trading activities relating to shows, venue hire and bar and shop sales, while the Foundation (the parent charity) handles the upkeep of the Headquarters and staff/contractor employment (recharging a proportion of its costs to CMAT). All surpluses made by CMAT are transferred to the Foundation and I am pleased to note that CMAT was able to generate a surplus in 2022-23, having been unable to achieve this in 2021-22.

HS2

We are significantly affected by the construction work relating to HS2 as our Headquarters is in the heart of the construction zone around Euston and a large part of our income relies on use of our building for performances and corporate hires.

Despite reports that the central London element of HS2 is to be cancelled, construction work is likely to have an impact on us for at least the next ten years.

In order to protect our future business at our Headquarters, we have continued to work effectively with the High Speed 2 railway company, HS2 Ltd, and their current contractor Mace Dragados both through the Stephenson Way Group (SWG) and, when appropriate, directly.

We (individually and with SWG) have continued to be advised by our specialist adviser, Henry Clarke of Rail Estate. We are also advised by two further independent consultants, Paul C W Danvers of PCC Property Consultants Ltd and Stuart Hutchinson of Samuely Consulting Structural Engineers, on matters relating to our party wall with the now demolished Wolfson House and land settlement risks in relation to the piling activity to be undertaken for the building of the vent shaft. HS2 meet the professional costs of the two latter advisers. HS2 also meet the costs of specialist solicitors, BDB Pitmans, whose advice we need in connection with legal consultations relating to HS2 and its works. In addition to our professional consultants, we are indebted to Centre Director, Darren Martin, Trustee,

Garry Thomas, for their willingness to attend regular meetings and engage with HS2 and their contractors.

Managing a very public-facing building during these difficult times, including in particular the demolition of the building adjacent to us, has been challenging, especially when denied the satisfaction that comes from seeing TMC members meeting with one another and the presence of regular visitors and guests enjoying our facilities, exhibits and entertainments. I extend the Trustees' heartfelt thanks to Centre Director, Darren Martin, for his continued care of our building and its contents and for the sterling efforts of him and the team as we continue to maintain, improve, and develop our programme of events.

Outlook for 2023-24

We anticipate the outcome for the current year 2023-24 to remain challenging for us with the continued combined impacts of HS2 and uncertain economic conditions. The energy market remains volatile but we have new contracts in place with suppliers and so our 2023-24 energy costs should be less problematic than for last year.

Our overall results will depend on public appetite for live performances and corporate interest in venue hire. In this regard we will continue to promote our venue for hiring and public events whilst actively seeking new approaches to its use and promotion.

Looking Forward

The Board has been working to develop a clear strategic direction for the Foundation. Led by Neil Pritchard and Martin Kaufman, the Board has reviewed our mission, values and objectives. We have explored where we are as an organisation, and how we feel the Foundation should develop. We have reached out to key Magic Circle volunteers from the museum, library, archive, theatre team, public events team, YMC and TMC Council and conducted a fact-finding exercise. The work will soon be ready to share, and we intend this to form the basis for a fund-raising strategy to help us expand and improve the impact of the Foundation.

Young Magicians Club

Since April 2019, the Foundation has been responsible for the Young Magicians Club (YMC), TMC's long-running youth initiative. YMC is a key avenue for furtherance of the Foundation's educational objective which is a central aspect of our charitable status. In 2022, YMC Chair, Kevin Doig stepped down from his role, and I would like to thank him for his passion and commitment to the Club over the years. Kevin was replaced by two co-Chairs, Edward Hilsum and Harry De Cruz, both of whom are former YMC members. I would like to congratulate them on their appointments. They have brought with them an energy and enthusiasm that is already invigorating the club.

Goodbyes

For the duration of this reporting period, we have worked closely with TMC President, Megan Swann and TMC Vice President, Katherine Rhodes, each of whom have played important roles in supporting the work of the Foundation.

Katherine has contributed in several important and significant ways to the running of the Foundation, from photographing museum artefacts to leading on some key building issues. One of her notable contributions has been her role as producer of our flagship Christmas show.

Megan, TMC's first female president, and an ex officio Foundation Board member, has been instrumental in raising the profile of the whole organisation and acting as a role model for young aspiring magicians. As well as being an excellent President and contributing valuably as a Foundation Board member, she worked tirelessly to bring the Club together in the post-COVID era and played a pivotal role in developing the relationship between TMC Council and the Foundation Board.

I thank Katherine and Megan for their work and their support for the Foundation.

During this period, we also said goodbye to two trustees whose dedication to the Foundation has been exceptional.

First, I would like to thank David Cheeseman, who stood down officially as a trustee in 2021, but agreed to stay on in a co-opted role to provide continuity when new non-magician trustees were appointed. David had been on the Board since 2012 and provided essential expertise in particular in HR related matters.

We also said goodbye to Brian Sibley, who had been a trustee since 2014 and had previously served on the Board in 2011. Brian took on the role of interim trustee in 2020 and steered the organisation through one of the most challenging periods in its history. While the Articles of Association allow a standing member of TMC to chair the Board in exceptional circumstances, Brian opted to sacrifice his prized TMC membership for the sake of impartiality. Brian agreed to extend his tenure to enable new, non-magician trustees to settle into their roles, and only stood down at the 2022 AGM. I thank Brian for his leadership and long-term dedication to TMCF.

The current Board

With Megan Swann standing down at TMC's 2023 AGM, we warmly welcome the newly elected TMC president Marvin Berglas as an ex-officio member of the Foundation Board. Marvin is the founder and director of Marvin's Magic, the world's largest magic company, and his knowledge of business combined with his knowledge of the world of magic will be a great asset to the Foundation.

The Foundation Board is currently made up of eight trustees: Marvin Berglas, Sarah Campbell, Martin Kaufman, Barry Harris (Treasurer), Neil Pritchard, Stuart Scott (Secretary), Garry Thomas, and me, Vimal Tilakapala (Chair). In the coming year, we will seek to appoint a ninth trustee.

The Foundation is, as always, extremely grateful to members of TMC who give their time and talent to put on our fantastic shows, particularly the Christmas Show as well as the ever-popular regular "The Magic Circle Mysteries", "Monday Morning Magic," "History and Mystery at The Magic Circle" and the "Close-Up at The Magic Circle" events. These shows consistently receive reports of high client satisfaction. In a market place where we must compete with the latest blockbuster films and West End theatre on our doorstep, we are proud to consistently field world class magical performers and to sell out most of our public events.

We rely heavily on a continually sustained and renewed loyal band of volunteers who put in so much of their time to run our public events and bring in much needed revenue. We also rely on volunteers to maintain our extensive and prized library and museum in our Headquarters. Once again, I offer a heartfelt "Thank You" to you all, and to my fellow Trustees, who are also, with me, volunteers. Your continued support and enthusiasm are essential to the success of our wonderful organisation.

Vimal Tilakapala
Chair of the Board

Company Details

Executive Committee / Board of Trustees

Member	Appointed	Changes
Mr Marvin Berglas	04/09/2023	
Ms Sarah Campbell <i>Trustee</i>	23/05/2018	
Mr Barry Harris <i>Treasurer & Trustee</i>	02/10/2017	
Mr Martin Kaufman <i>Independent Trustee</i>	27/10/2021	
Ms Megan Knowles-Bacon <i>President of The Magic Circle & Trustee</i>	18/04/2021 (Acting) 13/09/2021 (President)	Ex-officio member of Board from 18/04/2021, first as Acting President, then as President from 13/09/2021 until 04/09/2023
Mr Neil Pritchard <i>Independent Trustee</i>	27/10/2021	
Mr Brian Sibley	06/10/2014	Resigned 17/11/2022
Mr Stuart Scott <i>Secretary & Trustee</i>	25/07/2018	
Mr Garry Thomas <i>Trustee</i>	17/07/2017	
Mr Vimal Tilakapala <i>Chair & Independent Trustee</i>	27/10/2021	Elected to Board at 2021 AGM Chair from 01/06/2022

Secretary and Registered Office
Mr S A Scott
12 Stephenson Way, London, NW1 2HD

Company Registration No.

02155182

Charity Registration No.

297582

Bankers

Handelsbanken
86 Jermyn Street, London SW1Y 6JD

Independent Examiner

Moore Kingston Smith LLP
The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London UB3 1HA

Solicitors

Bond Dickinson LLP
4 More London Riverside
London SE1 2AU

Trustees' Annual Report

The Trustees, who are also Directors and Members of The Magic Circle Foundation Limited ("the company") for the purpose of company law, are responsible, through the Board of Trustees for overseeing the business of the charity and hereby present their report and the independently examined financial statements for the year ended 31 March 2023.

The financial statements comply with the Charities Act 2011 and the 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).

Structure, Governance and Management

The company is a registered charity (no.297582) limited by guarantee and is governed by its Memorandum and Articles of Association. The company was incorporated on 17 August 1987 and was established under a Memorandum of Association, which identifies the object and powers of the charitable company. The company is governed under its Articles of Association. The Memorandum and Articles were brought up to date and approved by the members of the Centre for the Magic Arts Limited (the former name of The Magic Circle Foundation Limited) at the AGM of 5 October 2015.

In the event of the company being wound up, members of the company are required to contribute an amount not exceeding £1.

The Trustees of the company at the date of the 2022-23 AGM, are:

Mr Marvin Berglas, Ms SJ Campbell, Mr B Harris, Mr SA Scott,
Mr G Thomas, Mr M Kauffman, Mr N Pritchard, Mr V Tilakapala

We thank our very able accountant (Karen Butler) and bookkeeper (Sally Young) for dealing with financial matters so efficiently during this period.

New Trustees are appointed by the Board of Trustees in the short term and elected by the members at the first available AGM according to Article 57. Under the requirements of the Articles of Association the longest serving committee members at the time of the AGM must retire and may offer themselves for re-election. There are currently 410 Members of the company (including the Directors) each of whom pays a £1 annual subscription through their membership subscription to The Magic Circle (TMC) renewable in the Spring of each year and who are entitled to vote at the AGM. We require that each member of the company gives their consent at each renewal of their TMC membership to continue also to be a member of the company. This is addressed with members by TMC at the time of their renewal of TMC membership.

The members of the board are considered to be key management and do not receive any remuneration for their role as board member.

The Trustees hold regular board meetings to review company performance and to establish and monitor actions to fulfil their responsibilities. Should there be a need for any urgent action then the board communication system by e-mail and Slack is considered quite sufficient.

The subsidiary company, Centre for the Magic Arts Trading Ltd (CMAT Ltd) is registered at Companies House (a private limited company incorporated 26 October 2011; company number 07824803). The business of CMAT Ltd is reported and monitored through the board of trustees meeting. The two Directors of CMAT Ltd are Mr Barry Harris, Treasurer of TMCF, and Mr Darren Martin, the Centre Director. This combined management system simplifies the administrative burden of the two companies. The clear separation between the two companies can be seen at the financial accounts

level as reported below and in the annual report for CMAT Ltd. Unless otherwise specified, in this annual report "the company" refers to the charity TMCF Ltd and its subsidiary CMAT Ltd together.

Objectives and Activities

The main object of the charity, TMCF Ltd, is to promote the education of the public in the history and practice of the art of magic, by:

- maintaining a library and museum of magic works and artefacts.
- promoting public lectures; and
- providing or assisting in the provision of a centre for meetings, lectures, classes and other forms of education for the benefit of the public.

Specifically, there are morning entertainments for families, lunchtime entertainments for institutes, rotary clubs and like bodies all at a reduced rate when compared with the evening sessions; there are also free entertainments for local schools and disadvantaged children offered to the local council; and the library is made available in the presence of a librarian free of charge to all of those conducting academic research. Special charitable events are also organised as fund-raisers, and we are very grateful to all of those who give freely of their time to organise and perform at these events.

The main objective of the subsidiary, CMAT Ltd, is to generate enough income through commercial activities to be able to maintain our building and to fund charitable activities.

Achievements and Performance

Despite the on-going challenging trading conditions, the company generated more income compared with 2021-22, achieved through increased revenue from shows and venue hire. However, the cessation of Covid 19 related government grants at the end of 2021-22 meant that the overall income for 2021-22 and 2022-23 was very similar. This, combined with the effective doubling of premises costs in 2022-23 has resulted in an overall loss for the financial year. The particular challenge being, of course, the large rise in energy costs.

Corporate venue hire is an important element of our business strategy, although in response to changes in the pre Covid-19 economic environment we had sought to increase our income from performances. The future for corporate venue hire continues to be assessed.

The company is, as always, very grateful for the hard work of its management team and thanks them very much. It also will continue to rely very heavily on its many volunteers who give freely of their time to help at public events. Without this generous time commitment, it would not be possible to run these events. The Trustees are very grateful for this loyal support, which, although it cannot be quantified in the accounts, is exceptionally valuable and is much appreciated. Thank you all!

The plans of the HS2 company, HS2 Ltd, to re-construct Euston Station remain ongoing despite the cancelation of certain aspects of HS2. Plans are being shared with us through the Stephenson Way Group of charities (SWG) but access to our building will continue to be restricted, although not totally closed. The members of this group, who all own premises around Stephenson Way, are The Royal College of General Practitioners, The Welcome Foundation, The Quaker House, The Wesley Hotel (International Methodists Centre), The Royal College of Ophthalmologists, and The Royal Asiatic Society. All these organisations are charities. We are very grateful for the contributions that these charities make alongside us when working on HS2 matters.

While the long-term impact of Covid-19, Brexit, and spiralling costs on the ability of the trading company to generate income for the Foundation is not yet clear we will have to continue to adapt and find new ways of working. It is our intention to review the longer-term sustainability of the trading company in the coming months. We do expect the trading conditions to continue to be challenging but we have confidence that we have sufficient reserves to sustain the Foundation in the short to medium term.

Financial Review

Since 2013 all trading activities and public performances have been accounted for in the books of CMAT, the wholly owned subsidiary of TMCF. This has been done to comply with the requirements of the Charity Commission. TMCF continues to manage the building at 12 Stephenson Way and to employ the staff needed to run the charity and administer all the activities of the two companies. TMCF then charges an administration and management fee to CMAT for its share of these costs. Finally, CMAT remits all its profit for the year back to TMCF by way of a charitable donation.

A loss for the year of £23,394 is disappointing compared with the surplus achieved on 2021-22. However, despite the on-going challenges during 2022-23 the trading company made a surplus of £22,585 compared with a loss in the previous two years. It should be noted that the consolidated position of the two companies is an overall loss of £809.

The Foundation was unable to achieve an overall surplus as a direct result of the large increases in costs, in particular energy costs.

Despite making a profit in 2022-23 the trading company was unable to make a donation to TMCF as it is only able to distribute positive reserves. The trading company is required to make sufficient profit to counter the losses experienced during the COVID pandemic before any profits can be distributed to TMCF. Prior to the first lockdown in 2020 the trading company had never made a loss since it started trading in 2013

The main components of the loss this year were:

£ (23,169)	decrease in general income
£ 1,603	increase in YMC income
£ (11,216)	increase in utility costs
£ (20,261)	increase in other operating costs
<u>£ 5,839</u>	decrease in cost due to YMC activities
<u>£ (47,204)</u>	Total net change

The loss for the year combined with the surplus made by the trading company equates to a loss of £809 taking the reserves of both companies together to £388,050 of which only £1,220 is restricted.

At the year-end we had cash at bank and in hand in both companies together of just over £419,000, an increase of £8,000 over the previous year (to the nearest thousand pounds).

Independent Examination

Independent examination, an approach permitted by the Charity Commission, is a simpler and less expensive form of external scrutiny than a full audit. For future years the Trustees will consider which version of external scrutiny, independent examination or audit, they believe is in the best interests of the company, including its subsidiary, at the time. The two companies, TMCF and CMAT, are reviewed separately.

Reserves Policy and Review

The charitable company aims to maintain reserves sufficient for its effective operations and as a provision for refurbishment costs, normal maintenance and running costs.

The Trustees regularly monitor and discuss the opportunities available to the charitable company and the risks to which it is exposed.

The Trustees consider and review the financial performance of the charitable company in terms of income generation from commercial activities and public events while controlling the costs of the maintenance and upkeep of the building through the Centre Director and support staff.

The prospects for future periods are considered at each Trustees' Board Meeting to ensure that the company can meet its objectives and to ensure reserves are in place to enable the on-going success of the company.

Plans for Future Periods

The Centre Director works with the Board of Trustees to find new ways of improving and adapting the business.

The commercial activities of the subsidiary company are seen as vital for maintaining the on-going success of the charity. Funds continue to be required for a programme of maintenance and refurbishment of The Magic Circle building. To this end we intend to continue, with the help and support of members of The Magic Circle, to develop the events programme. We will also continue to look at ways to maximise income from the corporate hire of the building. The current economic uncertainties will continue to keep trading conditions challenging. This will continue to be closely monitored.

Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit.

Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the short to medium term. However, the ongoing uncertainty regarding the economic climate will require the Centre Director and the board to continuously monitor and review the impact on the Foundation and the trading subsidiary.

Fundraising

As part of the Foundation's strategy, the Board will be considering types of additional fundraising that could be undertaken, and how this might be done and is aware of the code issued by the Fundraising Regulator.

Risk Management

The board conducts reviews of the major risks facing the company, which are recorded in a risk register,

- The establishment of systems and controls to mitigate the risks identified; and
- The implementation of procedures designed to minimise any potential impact on the company should any of those risks materialise.

As with the management of financial reserves, emerging risks that the company faces are considered at committee meetings and strategies, controls and systems developed to help mitigate each risk.

While the current economic uncertainties remain the Trustees are unable to predict the associated risks with a degree of certainty. However, with the existing levels of reserves, the Trustees believe that the Foundation is well placed to cope with these challenges and anticipates emerging from the crisis in good shape.

While the current economic, and geopolitical, uncertainties remain the Trustees are unable to predict the associated risks with a degree of certainty. However, with the existing levels of reserves, the Trustees believe that the Foundation is well placed to cope with these challenges and anticipates emerging from the crisis in good shape.

Statement of Trustees Responsibilities

The Trustees (who are also members and directors of The Magic Circle Foundation Limited for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company 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 accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

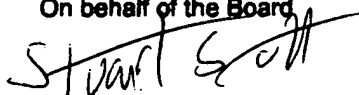
In so far as the trustees are aware:

- a) there is no relevant information of which the charitable company's independent examiners are unaware; and
- b) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiners are aware of that information.

Small Company Exemption

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

On behalf of the Board

A handwritten signature in black ink, appearing to read "Stuart Scott", written over a horizontal line.

Stuart Scott
Secretary

Independent Examiner's Report
to the Trustees of The Magic Circle Foundation Limited

I report to the charity trustees on my examination of the accounts of the Magic Circle Foundation Limited for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

The financial statements have been prepared in accordance with the accounting policies set out in 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 for Smaller Entities published on 16 July 2014.

Independent examiner's statement

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Moore Kingston Smith LLP

Jonathan Seymour

For and behalf of

Moore Kingston Smith LLP
Chartered Accountants
The Old Vinyl Factory,
Blyth Road, London UB3 1HA

Date: *19 December 2023*

Statement of Financial Activities
(incorporating income and expenditure account)
for the year ended 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
	1				
Income from:					
Donations and legacies		2,200	-	2,200	11,638
Other trading activities		153,430	-	153,430	133,741
Government grants		-	-	-	34,054
Charitable activities		9,799	-	9,799	7,562
Total income		<u>165,429</u>	<u>-</u>	<u>165,429</u>	<u>186,995</u>
	2				
Expenditure on:					
Raising funds		(187,293)	-	(187,293)	(155,889)
Charitable activities		(1,530)	-	(1,530)	(7,296)
Total expenditure		<u>(188,823)</u>	<u>-</u>	<u>(188,823)</u>	<u>(163,185)</u>
Net movement in funds		(23,394)	-	(23,394)	23,810
Funds Brought Forward		497,965	1,220	499,185	475,375
Funds Carried Forward		<u>474,571</u>	<u>1,220</u>	<u>475,791</u>	<u>499,185</u>

There are no other recognised gains and losses other than those shown above.

Since 1 April 2013 trading activities and public events have been managed by Centre for the Magic Arts Trading Ltd ("CMAT"), a wholly owned subsidiary of The Magic Circle Foundation Limited ("TMCF") (formerly Centre for the Magic Arts Limited). Profits generated by CMAT are paid to TMCF by way of a charitable donation.

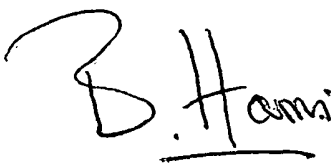
Balance Sheet
as at 31 March 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets:					
Tangible fixed assets	4		2,279		5,452
Current assets					
Debtors	5	386,884		418,343	
Cash at bank and in hand		132,600		127,651	
			519,484		545,994
Creditors, amounts falling due within one year	6	(22,809)		(18,327)	
Net Current Assets			496,675		527,667
Creditors, amounts falling due after one year	7		(23,163)		(33,934)
Net Assets			<u>475,791</u>		<u>499,185</u>
Represented by:					
Restricted funds	8		1,220		1,220
Unrestricted funds	8		474,571		497,965
			<u>475,791</u>		<u>499,185</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the Board on 15th / 12 / 2023 and signed on their behalf by:

Treasurer 
Barry Harris

Notes to the financial statements

1 Principal Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of accounting

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Magic Circle Foundation Limited meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties regarding the Trust's ability to do so.

c) Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure that meets these criteria is identified to the fund.

d) Unrestricted funds

Unrestricted funds are donations and other income received or generated for the charitable purposes as the Executive Committee thinks fit.

e) Voluntary income

Voluntary income is received by way of grants, donations, gratuities and gifts and is included in full in the Statement of Financial Activities when received. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

f) Hiring and public events income

Hiring and public events income is recognised when the charity is entitled to the income and the amount can be reasonably quantified with reasonable accuracy. Amounts received relating to future events are recognised as deferred income.

g) Bar and retail income

Bar and retail income is recognised on the date when the sales transaction is completed.

h) Government grants

Government grants are recognised when there is evidence of entitlement to the grant, receipt is probable, and its amount can be measured reliably.

i) Investment income

Investment income is included when receivable.

j) Cash and cash equivalents

Cash and cash equivalents include cash and short term highly liquid investments with short term maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Fixed assets

All fixed assets are held at cost less depreciation.

Expenditure in relation to fixed assets is capitalised where an item is expected to remain in the business for 3 years or more and is of a value of £500 or more.

Depreciation is calculated to write off the cost of tangible fixed assets in instalments at the following annual rates:

• Library books	25% straight line
• Fixtures, fittings and equipment	25% straight line
• Young Magicians equipment	25% straight line
• IT equipment	33% straight line

l) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT that cannot be recovered.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with magic performances and shows and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resource.

m) Liabilities

Liabilities are recognised when the charity has an obligation to make a payment to a third party.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustee's best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The trustees do not consider there to be any estimates and judgements.

2 Expenditure

	Trading activities and public events £	Centre Management £	Governance £	Total 2023 £	Total 2022 £
Costs allocated directly to activities:					
Independent examination	-	-	4,450	4,450	3,500
Young Magician's Club	1,419	-	-	1,419	7,296
Support costs for activities:					
Staff salaries & tax	47,797	24,622	-	72,419	77,521
Premises costs	58,393	32,643	-	91,036	57,283
Office costs	7,864	4,051	-	11,915	8,797
Depreciation	2,929	1,509	-	4,438	6,543
Bank charges & interest	1,447	849	849	3,146	2,244
Total expenditure	119,849	63,675	5,299	185,590	163,185

Support costs are allocated to each activity cost category as above according to the proportion of the year for which the centre was used for each source of income. The total amount re-charged to the trading subsidiary CMAT for administration and management costs relating to CMAT trading activities was £118,430 (2022: £98,741).

	Trading activities and public events (recharged to CMAT) £	Centre Management £	Governance £	Total 2022 £
Costs allocated directly to activities:				
Independent examination	-	-	3,500	3,500
Young Magicians Club	7,296	-	-	7,296
Support costs for activities:				
Staff salaries & tax	51,165	26,356	-	77,521
Premises costs	36,420	20,863	-	57,283
Office costs	5,806	2,991	-	8,797
Depreciation	4,318	2,225	-	6,543
Bank charges & interest	1,032	606	606	2,244
Total expenditure	98,741	53,042	4,106	163,185

3 Staff costs

	2023 £	2022 £
Staff costs:		
Contracted staff	15,750	13,859
Wages and salaries	55,000	59,000
Social security costs	1,669	4,662
	<u>72,419</u>	<u>77,521</u>
	<u><u>72,419</u></u>	<u><u>77,521</u></u>
	2023	2022
Average monthly number of employees, by function:		
Centre Director	1	1
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

No employee received emoluments in excess of £60,000 p.a. (2022: none).

No directors received any remuneration for the year (2022 - £nil).

Expenses reimbursed to directors aggregated to £nil (2022 - £nil).

The members of the board are key management and do not receive any remuneration (2022: £nil)

4 Tangible Fixed Assets

	Library equipment	Fixtures, fittings and equipment	Computer equipment	Total
	£	£	£	£
Cost:				
As at 1 April 2022	6,590	227,916	23,331	257,837
Additions	-	266	999	1,265
As at 31 March 2023	<u>6,590</u>	<u>228,182</u>	<u>24,330</u>	<u>259,102</u>
	<u><u>6,590</u></u>	<u><u>228,182</u></u>	<u><u>24,330</u></u>	<u><u>259,102</u></u>
Depreciation:				
As at 1 April 2022	6,590	223,627	22,168	252,385
Charge for the year	-	3,875	563	4,438
As at 31 March 2023	<u>6,590</u>	<u>227,502</u>	<u>22,731</u>	<u>256,823</u>
	<u><u>6,590</u></u>	<u><u>227,502</u></u>	<u><u>22,731</u></u>	<u><u>256,823</u></u>
Net book value:				
As at 31 March 2023	<u>-</u>	<u>680</u>	<u>1,599</u>	<u>2,279</u>
	<u><u>-</u></u>	<u><u>680</u></u>	<u><u>1,599</u></u>	<u><u>2,279</u></u>
As at 1 April 2022	<u>-</u>	<u>4,289</u>	<u>1,163</u>	<u>5,452</u>
	<u><u>-</u></u>	<u><u>4,289</u></u>	<u><u>1,163</u></u>	<u><u>5,452</u></u>

5 Debtors

	2023	2022
	£	£
Amounts due from subsidiary company	363,994	393,236
Prepayments and accrued income	20,613	20,659
Other debtors	2,277	4,448
	<u>386,884</u>	<u>418,343</u>

6 Creditors, amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	3,794	3,793
Other creditors	8,627	4,527
Covid Recovery Bounce Back Loan Scheme	10,388	10,007
	<u>22,809</u>	<u>18,327</u>

7 Creditors, amounts falling due after one year

	2023	2022
	£	£
Covid Recovery Bounce Back Loan Scheme	23,163	33,934
	<u>23,163</u>	<u>33,934</u>

8 Movement in Funds

	As at 1 April 2022	Total income	Total expenditure	As at 31 March 2023
	£	£	£	£
Restricted funds:				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds:	497,965	165,429	(188,823)	474,571
General Funds brought forward	<u>499,185</u>	<u>165,429</u>	<u>(188,823)</u>	<u>475,791</u>

	As at 1 April 2021	Total income	Total expenditure	As at 31 March 2022
	£	£	£	£
Restricted funds:				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds:	474,155	186,995	(163,185)	497,965
General fund brought forward	<u>475,375</u>	<u>186,995</u>	<u>(163,185)</u>	<u>499,185</u>

9 Analysis of Net Assets between Funds

	Tangible fixed assets £	Net current assets £	Liabilities due >1 year £	Total 2023 £
Restricted funds:				
Young Magicians	-	83	-	83
Equipment	-	1,137	-	1,137
Museum	-	-	-	-
	<u>-</u>	<u>1,220</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds	2,279	495,454	(23,163)	474,571
	<u>2,279</u>	<u>496,674</u>	<u>(23,163)</u>	<u>475,791</u>

	Tangible fixed assets £	Net current assets £	Liabilities due >1 year £	Total 2022 £
Restricted funds:				
Young Magicians	-	83	-	83
Equipment	-	1,137	-	1,137
Museum	-	-	-	-
	<u>-</u>	<u>1,220</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds	5,452	526,447	(33,934)	497,965
	<u>5,542</u>	<u>527,667</u>	<u>(33,934)</u>	<u>499,185</u>

General Fund:

Funds are held available for ordinary purposes of the company.

Young Magicians Equipment and Museum: These funds are used to purchase equipment.

10 Limited by Guarantee

The company is limited by guarantee, each member having guaranteed to pay a maximum of £1 should the company be wound up. At present, there are 342 members, including three independent Trustees.

11 Related Parties

During the year the company charged The Magic Circle £35,000 (2022: £35,000) for the use of 12 Stephenson Way. M.Knowles-Bacon, who was a trustee of The Magic Circle Foundation Limited during the year, is also a member of the Council of The Magic Circle.

The Magic Circle granted The Magic Circle Foundation Ltd (formerly the Centre for the Magic Arts Limited) an 80-year lease of the premises at 12 Stephenson Way in 1998 at a rent of 20% of the company's turnover in excess of £250,000 (indexed).

12 Subsidiary Undertaking

The company has incorporated a subsidiary: Centre for the Magic Arts Trading Limited ("CMAT").

The company owns 100% of the ordinary share capital of CMAT, comprising one share with par value of £1.

Since 1 April 2013 trading activities and public events have been managed by CMAT. Profits generated by CMAT are paid to the company by way of a charitable donation when there are sufficient reserves.

The subsidiary generated a net profit of £22,585 (2022: net loss £27,198) in the year.

THE MAGIC CIRCLE FOUNDATION LIMITED

England & Wales - Charity number 297582

Accounts



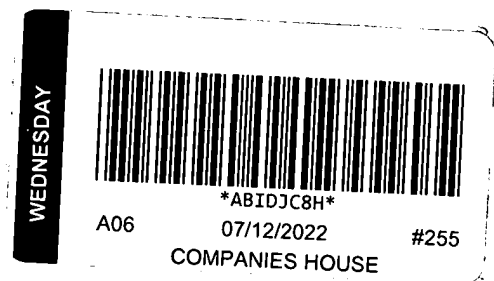
MOORE Kingston Smith

THE MAGIC CIRCLE FOUNDATION LIMITED
(formerly Centre For The Magic Arts Limited)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2022

Company No: 02155182
Registered Charity No: 297582



Contents

Chairman's Statement.....	1
Company Details.....	4
Trustees' Annual Report.....	6
Independent Examiner's Report.....	12
Statement of Financial Activities (incorporating income and expenditure account).....	13
Balance Sheet.....	14
Notes to the financial statements.....	15
Detailed Profit and Loss Account.....	23

Chairman's Statement

This financial year (2021-22) we are very pleased to have welcomed 336 members of The Magic Circle as members of The Magic Circle Foundation Limited. This brings the total membership to 341, five members of The Magic Circle Foundation Ltd are not members of The Magic Circle. These are our four Independent Trustees, Martin Kaufman, Neil Pritchard, Brian Sibley and me, and our one co-opted Board member, David Cheeseman. It is the responsibility of members of the charity to monitor the progress of the charity through this annual report and accounts, to give realistic and implementable advice to the board and to help wherever practical.

While the impact of COVID-19 restrictions throughout 2020-21 had a profound effect on the ability of the Foundation to generate income we are able to report an improvement in trading in 2021-22 and the continuation of a positive surplus, achieved through careful control of costs, reduced overheads, and financial support received through applications for Government COVID-19 business support grants. We continue to look to use that surplus for charitable purposes and for the increased improvement of The Magic Circle Headquarters and its content for those purposes.

The financial results of the year are explained in more detail in the Trustees' Annual Report below but highlights include (to the nearest thousand pounds):

An annual surplus of £23,810
Reserves now stand at £499,185

Reserves are necessary to ensure that any emergency concerning the viability of The Magic Circle Headquarters at 12 Stephenson Way can be resolved promptly and also that, should it ever be necessary, the Charity can be discontinued in a tidy way. The Board has agreed to 12 months overhead coverage.

In order to protect our future business at The Magic Circle Foundation, business that is essential to the future of our organisation, we have continued to work effectively with the High Speed 2 railway company, HS2 Ltd, and their current contractor Mace Dragados both through the Stephenson Way Group (SWG) and when appropriate, directly.

We (individually and with SWG) have continued to be advised by our specialist adviser, Henry Clarke of Rail Estate. We are also advised by two further independent consultants, Paul C W Danvers of PCC Property Consultants Ltd and Stuart Hutchinson of Samuely Consulting Structural Engineers, on matters relating to our party wall with the now demolished Wolfson House and land settlement risks in relation to the piling activity to be undertaken for the building of the vent shaft. HS2 meet the professional costs of the two latter advisers. HS2 also meet the costs of a specialist solicitors, BDB Pitmans, whose advice we need in connection with legal consultations relating to HS2 and its works. In addition to our professional consultants, we are indebted to Centre Director, Darren Martin, Trustees, Brian Sibley and Garry Thomas, and past-Trustee, Terry Wright, for their willingness to attend regular meetings and engage with HS2 and their contractors.

Stephenson Way and the whole area around our Headquarters have been seriously impacted by the extreme disruption caused by the construction work around Euston. This is likely to have an impact on The Magic Circle Foundation, and its trading company, for at least the next ten years.

This year's financial result reflects the on-going difficult trading conditions throughout 2021-22, both pandemic and HS2 related. This period of disruption and inconvenience has highlighted to us the importance of maintaining relationships with our customers and suppliers to ensure their continued support. We rely on the continuation of our existing revenue generators to maintain our small annual surplus.

The outcome for the current year 2022-2023 is anticipated to remain challenging for the Foundation with the continued combined impacts of HS2, Brexit and rising cost of living prices, in particular energy costs. Results will depend on public appetite for live performances and corporate interest in venue hire.

We will continue to promote our venue for hiring and public events while seeking new approaches to its use and promotion.

While our annual surplus will continue to be adversely affected by current events, I am reminded that in 2011 the Foundation had an annual deficit of £120,747 and I am very proud that over the past nine years we have proven our ability to adapt to changing circumstances and improve our processes so turning that deficit into a substantial reserve and annual surplus.

Our work and success depend greatly on the ongoing support of volunteers, who have been active even at the height of the COVID-19 crisis. Managing a very public-facing building during a pandemic and while coping with the forces of HS2 as it demolishes the building adjacent to our own has been an enormous challenge especially when denied the satisfaction that comes from seeing The Magic Circle members meeting with one another and the presence of regular visitors and guests enjoying our facilities, exhibits and entertainments. I extend the Board's heartfelt thanks to Centre Director, Darren Martin, for his continued care of our building and its contents and for the renewed efforts of him and his team as The Magic Circle moves towards returning to its usual programme of events.

Our wholly owned subsidiary, the Centre for the Magic Arts (Trading) Ltd (CMAT) is responsible for handling all the trading type activity to do with shows, venue hire and bar and shop sales, while The Magic Circle Foundation Ltd (the parent charity) handles the upkeep of The Magic Circle Headquarters at 12 Stephenson Way and staff or contractor employment and recharges a proportion of its costs to the subsidiary trading company. All surpluses made by CMAT are transferred to TCMF Ltd. However, as a result of the on-going challenging trading conditions CMAT has been unable to generate a surplus.

The day-to-day accounting is handled by a part-time accountant, and a part-time bookkeeper, who provide the necessary accounts services including maintenance of the accounting records, billing and payments, preparation of quarterly financial reports, submission of VAT returns, and preparation of draft annual accounts. This work is carried out under the supervision of the Treasurer. We also continue to use a third-party agency to deal with payroll.

Since April 2019 TCMF has been responsible for the Young Magicians Club (YMC), The Magic Circle's long-running youth initiative. This has represented a wonderful opportunity for TCMF to widen its charitable work. In July 2021, the YMC reported having 300 members, and has been active with running successful on-line workshops throughout 2020-21 and a well-attended on-line Junior-Day event for members in October 2021. The Board acknowledges the hard work of long-standing YMC Chair Kevin Doig and his team. In September 2021, the Board officially appointed Alan Rogers as its Safeguarding Officer, who will work closely with Kevin Doig, who is also The Magic Circle's Child Protection Officer. Following her election as President of The Magic Circle in September 2021, Megan Swann also assumed the presidency of the YMC, most fittingly since, as a former YMC member, the club contributed to her success in magic and her subsequent outstanding contributions to The Magic Circle as its Secretary, Vice President and now President.

In the reporting period, we have had a number of changes to the composition of the Board.

Noel Britten MIMC resigned as President of The Magic Circle in April 2021 as in doing so, ceased to be an ex officio member of the Board. Noel brought a drive and determination to his role as trustee as well as insights into The Magic Circle performances. I thank him for his work for the Foundation.

In July 2021, the Board developed a new and more transparent process to recruit Board members, before conducting a recruitment campaign. Our Articles of Association stipulate that no more than half the Board can be non-members of The Magic Circle. At this time, it was determined that the Board would benefit most from non-members as they would be impartial to The Magic Circle internal issues and they would bring specific skills that the Board required. The Board's intention was to find suitable individuals who had skills in fund raising, law and human resources.

At the 2021 AGM, three new independent trustees were elected. These included Mr Martin Kaufman, a specialist in charitable fundraising with a wealth of experience including work with the National Trust,

Hackney Empire Theatre and the Museum of London; and Mr Neil Pritchard, the CFO of a cyber technology company with a strong track record in business transformation, property management and human resources. I am the third of the newly appointed trustees. I have over 30 years' experience as a City solicitor with one of the legal world's 'magic circle' law firms, and have experience with HR, financial management matters and mediation.

It was also at the 2021 AGM that Mr David Cheeseman stepped down as a trustee. David has been on the Board since 2012 and provided expertise in HR and the transport sector. In recent years, David has provided essential support in dealing with a difficult HR issue and has provided additional support throughout the COVID lockdown period. David also agreed kindly to stay on the Board in a co-opted position to further support the newly appointed trustees during their transition period. David will be formally stepping down from the Board at the 2022 AGM. I would like to thank David for his long-term dedication to the work of the Foundation.


During the reporting period, Mr Brian Sibley has been interim Chair. Brian has been a highly respected member of The Magic Circle for many years, taking on a number of roles including being Chair of Council. Brian joined the Board of Trustees in 2012, and when Peter Kyle stepped down as Chair of the Foundation in 2020, Brian agreed to take on the role for an interim period. While our Articles of Association allow a standing member of The Magic Circle to chair the Board, it is more usual for the role to be held by an independent trustee. In the interests of impartiality, Brian decided to resign from The Magic Circle in order to take on the role of Chair of the Foundation. As interim Chair, Brian successfully led the organisation through much of the COVID lockdown period. He also extended his tenure in order to facilitate the recruitment of new trustees. Brian stood down as Chair in June 2022 and will step down as a trustee at the 2022 AGM. I thank Brian for his leadership and dedication to the Foundation, and for the support he has offered to me and my fellow newly appointed trustees.

The Board is currently made up of nine trustees: Sarah Campbell, Martin Kaufman, Megan Knowles Bacon, Barry Harris (Treasurer), Neil Pritchard, Stuart Scott (Secretary), Brian Sibley, Garry Thomas, and me, Vimal Tilakapala (Chair).

The Foundation is, as always, very grateful to members of The Magic Circle who give their time and talent to put on our fantastic shows, particularly the Christmas Show as well as the ever-popular regular "The Magic Circle Mysteries", "Magic Circles Secrets", "Monday Morning Magic," "History and Mystery at The Magic Circle" and the "Close-Up at The Magic Circle" events. These shows consistently receive reports of high client satisfaction, and we look forward to a time when we can be fully up and running again with these splendid events.

The company relies heavily on a continually sustained and renewed loyal band of volunteers who put in so much of their time to run our public events and bring in much needed revenue. These activities have been significantly scaled down in this year but, once again, I offer a heartfelt "Thank You" to you all, and to my fellow Trustees, who are also, with me, volunteers. Your continued support and enthusiasm is essential to the success of this enterprise.

Vimal Tilakapala
Chair of the Board



5/17/22

Company Details

Executive Committee / Board of Trustees

Member	Appointed	Changes
Mr Noel Britten <i>President of The Magic Circle & Trustee</i>	02/09/2019	Resigned 10/04/2021
Ms Sarah Campbell <i>Trustee</i>	23/05/2018	
Mr David Cheeseman <i>Independent Trustee / Co-opted member</i>	23/05/2012 27/10/2021 (Co-opted)	Resigned 27/10/2021 but co-opted to Board (To stand down at 2022 AGM)
Mr Barry Harris <i>Treasurer & Trustee</i>	02/10/2017	
Mr Martin Kaufman <i>Independent Trustee</i>	27/10/2021	Elected to Board at 2021 AGM
Ms Megan Knowles-Bacon <i>President of The Magic Circle & Trustee</i>	18/04/2021 (Acting) 13/09/2021 (President)	Ex-officio member of Board from 18/04/2021, first as Acting President, then as President from 13/09/2021
Mr Neil Pritchard <i>Independent Trustee</i>	27/10/2021	Elected to Board at 2021 AGM
Mr Brian D Sibley <i>Interim Chair & Independent Trustee</i>	06/10/2014	Chair from 05/10/2020 until 01/06/2022 (To stand down at 2022 AGM)
Mr Stuart Scott <i>Secretary & Trustee</i>	25/07/2018	
Mr Garry Thomas <i>Trustee</i>	17/07/2017	
Mr Vimal Tilakapala <i>Chair & Independent Trustee</i>	27/10/2021	Elected to Board at 2021 AGM Chair from 01/06/2022

Secretary and Registered Office
Mr S A Scott
12 Stephenson Way, London, NW1 2HD

Company Registration No.

02155182

Charity Registration No.

297582

Bankers

Handelsbanken
86 Jermyn Street, London SW1Y 6JD

Independent Examiner

Moore Kingston Smith LLP
The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London UB3 1HA

Solicitors

Bond Dickinson LLP
4 More London Riverside
London SE1 2AU

Trustees' Annual Report

The Trustees, who are also Directors and Members of The Magic Circle Foundation Limited ("the company") for the purpose of company law, are responsible, through the Board of Trustees for overseeing the business of the charity and hereby present their report and the independently examined financial statements for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011 and the 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).

Structure, Governance and Management

The company is a registered charity (no.297582) limited by guarantee and is governed by its Memorandum and Articles of Association. The company was incorporated on 17 August 1987 and was established under a Memorandum of Association, which identifies the object and powers of the charitable company. The company is governed under its Articles of Association. The Memorandum and Articles were brought up to date and approved by the members of the Centre for the Magic Arts Limited (the former name of The Magic Circle Foundation Limited) at the AGM of 5 October 2015.

In the event of the company being wound up, members of the company are required to contribute an amount not exceeding £1.

The Trustees of the company at the date of the 2021-22 AGM, are:

Ms S J Campbell, Mr D S Cheeseman, Mr B Harris, Ms M Knowles-Bacon, Mr B D Sibley,
Mr SA Scott, Mr G Thomas, Mr M Kauffman, Mr N Pritchard, Mr M Tilakapala

We thank our very able accountant (Karen Butler) and bookkeeper (Sally Young) for dealing with matters financial so efficiently during this period.

New Trustees are appointed by the Board of Trustees in the short term and elected by the members at the first available AGM according to Article 57. Under the requirements of the Articles of Association the longest serving committee members at the time of the AGM must retire and may offer themselves for re-election. There are currently 369 Members of the company (including the Directors) each of whom pays a £1 annual subscription through their membership subscription to The Magic Circle (TMC) renewable in the Spring of each year and who are entitled to vote at the AGM. We require that each member of the company gives their consent at each renewal of their TMC membership to continue also to be a member of the company. This is addressed with members by TMC at the time of their renewal of TMC membership.

The members of the board are considered to be key management and do not receive any remuneration for their role as board member.

The Trustees meet at a monthly Trustees' board meeting to review company performance and to establish and monitor actions to fulfil their responsibilities. Should there be a need for any urgent action then the board communication system by e-mail and Slack is considered quite sufficient.

The subsidiary company, Centre for the Magic Arts Trading Ltd (CMAT Ltd) is registered at Companies House (a private limited company incorporated 26 October 2011; company number 07824803). The business of CMAT Ltd is reported and monitored through the board of trustees meeting. The two Directors of CMAT Ltd are Mr Barry Harris, Treasurer of TMCF, and Mr Darren Martin, the Centre Director. This combined management system simplifies the administrative burden of the two companies. The clear separation between the two companies can be seen at the financial accounts level as reported below and in the annual report for CMAT Ltd. Unless otherwise specified, in this annual report "the company" refers to the charity TMCF Ltd and its subsidiary CMAT Ltd together.

Objectives and Activities

The main object of the charity, TMCFLtd, is to promote the education of the public in the history and practice of the art of magic, in particular by:

- maintaining a library and museum of magic works and artefacts.
- promoting public lectures; and
- providing or assisting in the provision of a centre for meetings, lectures, classes and other forms of education for the benefit of the public.

Specifically, there are morning entertainments for families, lunchtime entertainments for institutes, rotary clubs and like bodies all at a reduced rate when compared with the evening sessions; there are also free entertainments for local schools and disadvantaged children offered to the local council; and the library is made available in the presence of a librarian free of charge to all of those conducting academic research. Special charitable events are also organised as fund-raisers, and we are very grateful to all of those who give freely of their time to organise and perform at these events.

The main objective of the subsidiary, CMAT Ltd, is to generate enough income through commercial activities to be able to maintain our building and to fund charitable activities.

Achievements and Performance

Despite the on-going challenging trading conditions, the company generated an improved surplus compared with 2020-21, achieved through a combination of increased revenue from shows and venue hire, good control of costs, and government Covid-19 related business closure grants totalling £34,054.

Corporate venue hire is an important element of our business strategy, although in response to changes in the pre Covid-19 economic environment we had sought to increase our income from performances. The future for corporate venue hire will need to be assessed in the coming months.

The company is, as always, very grateful for the hard work of its management team and thanks them very much. It also will continue to rely very heavily on its many volunteers who give freely of their time to help at public events. Without this generous time commitment, it would not be possible to run these events. The Trustees are very grateful for this loyal support, which, although it cannot be quantified in the accounts, is exceptionally valuable and is much appreciated. Thank you all!

The plans of the HS2 company, HS2 Ltd, to re-construct Euston Station. HS2 Ltd are ongoing. The building on the east side of 12 Stephenson Way (Wolfson House) has been demolished, thus exposing the party wall. They are presently constructing a vent shaft to serve the Northern Line Underground railway (replacing the current vent shaft in Melton Street at the side of Euston Station). Plans are being shared with us through the Stephenson Way Group of charities (SWG) but access to our building will continue to be restricted, although not totally closed, and there continues to be construction disturbance. To this end we attend regular monthly meetings with HS2 where we are briefed on progress. We thank the other members of the SWG for their partnerships as we move forward. The members of this group, who all own premises around Stephenson Way, are The Royal College of General Practitioners, The Wellcome Foundation, The Quaker House, The Wesley Hotel (International Methodists Centre), The Royal College of Ophthalmologists, and The Royal Asiatic Society. All these organisations are charities. We are very grateful for the contributions that these charities make alongside us when working on HS2 matters.

While the long-term impact of Covid-19, Brexit, and spiralling costs on the ability of the trading company to generate income for the Foundation is not yet clear we will have to continue to adapt and find new ways of working during 2022-23. It is our intention to review the longer-term sustainability of the trading company in the coming months. We do expect the trading conditions to continue to be challenging but we have confidence that we have sufficient reserves to sustain the Foundation in the short to medium term.

Financial Review

Since 2013 all trading activities and public performances have been accounted for in the books of CMAT, the wholly owned subsidiary of TMCF. This has been done in order to comply with the requirements of the Charity Commission. TMCF continues to manage the building at 12 Stephenson Way and to employ the staff needed to run the charity and administer all the activities of the two companies. TMCF then charges an administration and management fee to CMAT for its share of these costs. Finally, CMAT remits all its profit for the year back to TMCF by way of a charitable donation.

A surplus for the year of £23,810 is significantly higher than last year's surplus of £2,863, an increase of £20,947. The on-going challenges during 2021-22 resulted in the trading company making a loss for a second consecutive year. 2020-21 was the first time this happened since the company started trading in 2013. The Foundation was able to still make a modest surplus as a result of an increased charge to the Magic Circle for use of the building, donations, and government covid related grants.

The main components of the rise in surplus this year were:

£ 45,630	increase in general income
£ (5,055)	decrease in YMC income
£ 4,200	decrease in HS2 related costs
£ (29,626)	increase in other operating costs
<u>£ 5,798</u>	decrease in cost due to YMC activities
<u>£ 20,947</u>	Total net increase in surplus

The surplus for the year combined with the loss made by the trading company takes the reserves of both companies together to £499,185 of which only £1,220 is restricted.

At the year-end we had cash at bank and in hand in both companies together of just over £411,000, an increase of £15,000 over the previous year (to the nearest thousand pounds).

Independent Examination

Independent examination, an approach permitted by the Charity Commission, is a simpler and less expensive form of external scrutiny than a full audit. For future years the Trustees will consider which version of external scrutiny, independent examination or audit, they believe is in the best interests of the company, including its subsidiary, at the time. The two companies, TMCF and CMAT, are reviewed separately.

Reserves Policy and Review

The charitable company aims to maintain reserves sufficient for its effective operations and as a provision for refurbishment costs, normal maintenance and running costs.

The Trustees regularly monitor and discuss the opportunities available to the charitable company and the risks to which it is exposed.

The Trustees consider and review the financial performance of the charitable company in terms of income generation from commercial activities and public events while controlling the costs of the maintenance and upkeep of the building through the Centre Director and support staff.

The prospects for future periods are considered at each Trustees' Board Meeting to ensure that the company can meet its objectives and to ensure reserves are in place to enable the on-going success of the company.

Plans for Future Periods

The Director of the Centre works with the Board of Trustees to find new ways of improving and adapting the business.

The commercial activities of the subsidiary company are seen as vital for maintaining the on-going success of the charity. Funds continue to be required for a programme of maintenance and refurbishment of The Magic Circle building. To this end we intend to continue, with the help and support of members of The Magic Circle, to develop the events programme. We will also continue to look at ways to maximise income from the corporate hire of the building. The current economic uncertainties will continue to keep trading conditions challenging. This will continue to be closely monitored.

Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit.

Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the short to medium term. However, the ongoing uncertainty regarding the global pandemic will require the Centre Director and the board to continuously monitor and review the impact on the Foundation and the trading subsidiary.

Fundraising

As part of the Foundation's strategy, the Board will be considering types of additional fundraising that could be undertaken, and how this might be done and is aware of the code issued by the Fundraising Regulator.

Risk Management

The board conducts reviews of the major risks facing the company, which are recorded in a risk register,

- The establishment of systems and controls to mitigate the risks identified; and
- The implementation of procedures designed to minimise any potential impact on the company should any of those risks materialise.

As with the management of financial reserves, emerging risks that the company faces are considered at committee meetings and strategies, controls and systems developed to help mitigate each risk.

As reviewed above one of the major risks for the near future continues to be the plans to develop Euston Station as part of the proposed HS2 High Speed train link, which would bring the new station premises immediately next to our building at the eastern side. The Magic Circle Council and The Magic Circle Foundation Limited are working with the HS2 team and an external consultant on an ad hoc basis to address our need for disturbance to be minimised and our need to continue in business, and also to ensure that we do not miss any opportunities.

While the current economic, and geopolitical, uncertainties remain the Trustees are unable to predict the associated risks with a degree of certainty. However, with the existing levels of reserves, the Trustees believe that the Foundation is well placed to cope with these challenges and anticipates emerging from the crisis in good shape.

Statement of Trustees Responsibilities

The Trustees (who are also members and directors of The Magic Circle Foundation Limited for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company 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 accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- a) there is no relevant information of which the charitable company's independent examiners are unaware; and
- b) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiners are aware of that information.

Small Company Exemption

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

On behalf of the Board



Stuart Scott
Secretary

31.3.2022

Independent Examiner's Report
to the Trustees of The Magic Circle Foundation Limited

I report to the charity trustees on my examination of the accounts of the Magic Circle Foundation Limited for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.


The financial statements have been prepared in accordance with the accounting policies set out in 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 for Smaller Entities published on 16 July 2014.

Independent examiner's statement

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.



Jonathan Seymour

For and behalf of

Moore Kingston Smith LLP
Chartered Accountants
The Old Vinyl Factory,
Blyth Road, London UB3 1HA

Date:

5 December 2022

Statement of Financial Activities
(incorporating income and expenditure account)
for the year ended 31 March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
	1				
Income from:					
Donations and legacies		11,638	-	11,638	564
Other trading activities		133,741	-	133,741	106,219
Government grants		34,054	-	34,054	26,941
Investments		0	-	0	78
Charitable activities		7,562	-	7,562	12,617
Total income		<u>186,995</u>	<u>-</u>	<u>186,995</u>	<u>146,419</u>
	2				
Expenditure on:					
Raising funds		(155,889)	-	(155,889)	(130,500)
Charitable activities		(7,296)	-	(7,296)	(13,056)
Total expenditure		<u>(163,185)</u>	<u>-</u>	<u>(163,185)</u>	<u>(143,556)</u>
Net movement in funds		23,810	-	23,810	2,863
Funds Brought Forward		474,155	1,220	475,375	472,512
Funds Carried Forward		<u>497,965</u>	<u>1,220</u>	<u>499,185</u>	<u>475,375</u>

There are no other recognised gains and losses other than those shown above.

Since 1 April 2013 trading activities and public events have been managed by Centre for the Magic Arts Trading Ltd ("CMAT"), a wholly owned subsidiary of The Magic Circle Foundation Limited ("TMCF") (formerly Centre for the Magic Arts Limited). Profits generated by CMAT are paid to TMCF by way of a charitable donation.

**Balance Sheet
as at 31 March 2022**

	Note	2022		2021	
		£	£	£	£
Fixed assets					
Tangible fixed assets	4		5,452		10,055
Current assets					
Debtors	5	418,343		345,595	
Cash at bank and in hand		127,651		174,794	
		<u>545,994</u>		<u>520,389</u>	
Creditors, amounts falling due within one year	6	<u>(18,327)</u>		<u>(10,902)</u>	
Net Current Assets			527,667		509,487
Creditors, amounts falling due after one year	7		(33,934)		(44,167)
Net Assets			<u><u>499,185</u></u>		<u><u>475,375</u></u>
Represented by:					
Restricted funds	8		1,220		1,220
Unrestricted funds	8		497,965		474,155
			<u><u>499,185</u></u>		<u><u>475,375</u></u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the Board on 5 December 2022 and signed on their behalf by:

Treasurer
Barry Harris



Notes to the financial statements

1 Principal Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of accounting

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Magic Circle Foundation Limited meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties regarding the Trust's ability to do so.

c) Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure that meets these criteria is identified to the fund.

d) Unrestricted funds

Unrestricted funds are donations and other income received or generated for the charitable purposes as the Executive Committee thinks fit.

e) Voluntary income

Voluntary income is received by way of grants, donations, gratuities and gifts and is included in full in the Statement of Financial Activities when received. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

f) Hiring and public events income

Hiring and public events income is recognised when the charity is entitled to the income and the amount can be reasonably quantified with reasonable accuracy. Amounts received relating to future events are recognised as deferred income.

g) Bar and retail income

Bar and retail income is recognised on the date when the sales transaction is completed.

h) Government grants

Government grants are recognised when there is evidence of entitlement to the grant, receipt is probable, and its amount can be measured reliably.

i) Investment income

Investment income is included when receivable.

j) Cash and cash equivalents

Cash and cash equivalents include cash and short term highly liquid investments with short term maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Fixed assets

All fixed assets are held at cost less depreciation.

Expenditure in relation to fixed assets is capitalised where an item is expected to remain in the business for 3 years or more and is of a value of £500 or more.

Depreciation is calculated to write off the cost of tangible fixed assets in instalments at the following annual rates:

- | | |
|------------------------------------|-------------------|
| • Library books | 25% straight line |
| • Fixtures, fittings and equipment | 25% straight line |
| • Young Magicians equipment | 25% straight line |
| • IT equipment | 33% straight line |

l) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT that cannot be recovered.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with magic performances and shows and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resource.

m) Liabilities

Liabilities are recognised when the charity has an obligation to make a payment to a third party.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustee's best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The trustees do not consider there to be any estimates and judgements.

2 Expenditure

	Trading activities and public events £	Centre Management £	Governance £	Total 2022 £	Total 2021 £
Costs allocated directly to activities:					
Independent examination	-	-	3,500	3,500	3,080
Legal and professional	-	-	-	-	4,200
Young Magician's Club	7,296	-	-	7,296	13,056
Support costs for activities:					
Staff salaries & tax	51,165	26,356	-	77,521	68,392
Premises costs	36,420	20,863	-	57,283	40,741
Office costs	5,806	2,991	-	8,797	7,140
Depreciation	4,318	2,225	-	6,543	6,415
Bank charges & interest	1,032	606	606	2,244	533
Total expenditure	<u>106,037</u>	<u>53,042</u>	<u>4,106</u>	<u>163,185</u>	<u>143,556</u>

Support costs are allocated to each activity cost category as above according to the proportion of the year for which the centre was used for each source of income. The total amount re-charged to the trading subsidiary CMAT for administration and management costs relating to CMAT trading activities was £98,741 (2021: £81,219).

	Trading activities and public events (recharged to CMAT) £	Centre Management £	Governance £	Total 2021 £
Costs allocated directly to activities:				
Independent examination	-	-	3,080	3,080
Legal and professional	-	-	4,200	4,200
Young Magicians Club	13,056	-	-	13,056
Support costs for activities:				
Staff salaries & tax	45,139	23,253	-	68,392
Premises costs	26,889	13,852	-	40,741
Office costs	4,712	2,428	-	7,140
Depreciation	4,234	2,181	-	6,415
Bank charges & interest	245	144	144	533
Total expenditure	<u>94,275</u>	<u>41,858</u>	<u>7,424</u>	<u>143,556</u>

3 Staff costs

	2022 £	2021 £
Staff costs:		
Contracted staff	13,859	11,014
Wages and salaries	59,000	55,000
Social security costs	4,662	2,378
Pension	-	-
	<u>77,521</u>	<u>68,392</u>
	2022	2021
Average monthly number of employees, by function:		
Centre Director	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

No employee received emoluments in excess of £60,000 p.a. (2021: none).

No directors received any remuneration for the year (2021 - £nil).

Expenses reimbursed to directors aggregated to £nil (2021 - £nil).

The members of the board are key management and do not receive any remuneration (2021: £nil)

4 Tangible Fixed Assets

	Library equipment £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost:				
As at 1 April 2021	6,590	227,209	22,099	255,898
Additions	-	707	1,232	1,939
As at 31 March 2022	<u>6,590</u>	<u>227,916</u>	<u>23,331</u>	<u>257,837</u>
Depreciation:				
As at 1 April 2021	6,590	219,929	19,323	245,842
Charge for the year	-	3,698	2,845	6,543
As at 31 March 2022	<u>6,590</u>	<u>223,627</u>	<u>22,168</u>	<u>252,385</u>
Net book value:				
As at 31 March 2022	<u>-</u>	<u>4,289</u>	<u>1,163</u>	<u>5,452</u>
As at 1 April 2021	<u>-</u>	<u>7,280</u>	<u>2,776</u>	<u>10,055</u>

5 Debtors

	2022	2021
	£	£
Amounts due from subsidiary company	393,236	304,465
Prepayments and accrued income	20,659	39,234
Other debtors	4,448	1,896
	<u>418,343</u>	<u>345,595</u>

6 Creditors, amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	3,793	3,617
Other creditors	4,527	1,452
Covid Recovery Bounce Back Loan Scheme	10,007	5,833
	<u>18,327</u>	<u>10,902</u>

7 Creditors, amounts falling due after one year

	2022	2021
	£	£
Covid Recovery Bounce Back Loan Scheme	33,934	44,167
	<u>33,934</u>	<u>44,167</u>

8 Movement in Funds

	As at 1 April 2021 £	Total income £	Total expenditure £	As at 31 March 2022 £
Restricted funds:				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds:				
General Funds brought forward	474,155	186,995	(163,185)	497,965
	<u>475,375</u>	<u>186,995</u>	<u>(163,185)</u>	<u>499,185</u>

	As at 1 April 2020 £	Total income £	Total expenditure £	As at 31 March 2021 £
Restricted funds:				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds:				
General fund brought forward	471,292	146,419	(143,556)	474,155
	<u>472,512</u>	<u>146,419</u>	<u>(143,556)</u>	<u>475,375</u>

9 Analysis of Net Assets between Funds

	Tangible fixed assets £	Net current assets £	Liabilities due >1 year £	Total 2022 £
Restricted funds:				
Young Magicians	-	83	-	83
Equipment	-	1,137	-	1,137
Museum	-	1,220	-	1,220
Unrestricted funds	5,452	526,447	(33,934)	499,185
	<u>5,452</u>	<u>527,667</u>	<u>(33,934)</u>	<u>499,185</u>

	Tangible fixed assets £	Net current assets £	Liabilities due >1 year £	Total 2021 £
Restricted funds:				
Young Magicians	-	83	-	83
Equipment	-	1,137	-	1,137
Museum	-	1,220	-	1,220
Unrestricted funds	10,055	508,267	(44,167)	474,155
	<u>10,055</u>	<u>509,487</u>	<u>(44,167)</u>	<u>475,375</u>

General Fund:

Funds are held available for ordinary purposes of the company.

Young Magicians Equipment and Museum: These funds are used to purchase equipment.

10 Limited by Guarantee

The company is limited by guarantee, each member having guaranteed to pay a maximum of £1 should the company be wound up. At present, there are 371 members.

11 Related Parties

During the year the company charged The Magic Circle £35,000 (2021: £25,000) for the use of 12 Stephenson Way. M.Knowles-Bacon, who is a trustee of The Magic Circle Foundation Limited, is also a member of the Council of The Magic Circle.

The Magic Circle granted The Magic Circle Foundation Ltd (formerly the Centre for the Magic Arts Limited) an 80-year lease of the premises at 12 Stephenson Way in 1998 at a rent of 20% of the company's turnover in excess of £250,000 (indexed).

Included in other debtors at the year end is £0 (2021: £296) due from The Magic Circle. Included in other creditors at the year end is £0 (2021: £945) due to The Magic Circle.

12 Subsidiary Undertaking

The company has incorporated a subsidiary: Centre for the Magic Arts Trading Limited ("CMAT").

The company owns 100% of the ordinary share capital of CMAT, comprising one share with par value of £1.

Since 1 April 2013 trading activities and public events have been managed by CMAT. Profits generated by CMAT are paid to the company by way of a charitable donation.

The subsidiary generated a net loss of £27,198 (2021: net loss £83,129) in the year.

THE MAGIC CIRCLE FOUNDATION LIMITED

England & Wales - Charity number 297582

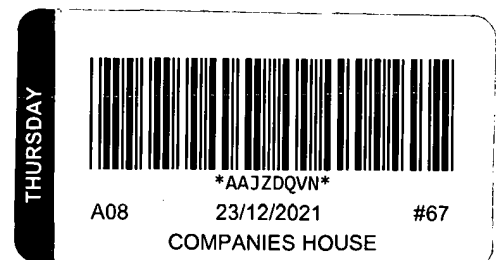
Accounts

THE MAGIC CIRCLE FOUNDATION LIMITED
(formerly Centre For The Magic Arts Limited)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2021

Company No: 02155182
Registered Charity No: 297582



Contents

Chairman's Statement.....	1
Company Details	4
Trustees' Annual Report	5
Independent Examiner's Report	10
Statement of Financial Activities (incorporating income and expenditure account)	11
Balance Sheet.....	12
Notes to the financial statements.....	13
Detailed Profit and Loss Account.....	21

Chairman's Statement

This financial year (2020-21) we are very pleased to have welcomed 369 members of The Magic Circle as members of The Magic Circle Foundation Limited. This brings the total membership to 371, two members of TMC Ltd are not members of TMC: David Cheeseman and myself. It is the responsibility of members of the charity to monitor the progress of the charity through this annual report and accounts, to give realistic and implementable advice to the board and to help wherever practical.

While the impact of COVID-19 restrictions throughout 2020-21 has had a profound effect on the ability of the Foundation to generate income we are able to report a continuation of a small positive surplus, achieved through careful control of costs, reduced overheads, and financial support received through applications for Government COVID-19 business support grants. We continue to look to use that surplus for charitable purposes and for the increased improvement of The Magic Circle Headquarters and its content for those purposes.

The financial results of the year are explained in more detail in the Trustees' Annual Report below but highlights include (to the nearest thousand pounds):

An annual surplus of £2,863
Reserves now stand at £475,375

Reserves are necessary to ensure that any emergency concerning the viability of the building at 12 Stephenson Way can be resolved promptly and also that, should it ever be necessary, the Charity can be discontinued in a tidy way.

In order to protect our future business at the Centre for the Magic Arts, business that is essential to the future of our organisation, we have continued to work effectively with the High Speed 2 railway company, HS2 Ltd, and their current contractor Mace Dragados both through the Stephenson Way Group (SWG) and directly when appropriate. HS2-Mace Dragados have kept us informed of plans well in advance of any implementation, have consulted us on work that will affect us, and have brought to our attention promptly any changes to their plans that occur through unforeseen circumstances. However, staff turnover at HS2 and its contractors, present a challenge to all local stakeholders, including the Foundation, wanting to maintain vigilance with regard to the on-going safeguarding of The Magic Circle Headquarters.

The demolition of Wolfson House having been satisfactorily completed, HS2 is now moving forward with building the vent shaft required for the essential works associated with the development of the new Euston Station.

We (individually and with SWG) have continued to be advised by our specialist adviser, Henry Clarke of Rail Estate and two further independent consultants, Paul C W Danvers of PCC Property Consultants Ltd and Stuart Hutchinson of Samuely Consulting Structural Engineers who have advised us on matters pertaining to our party wall with the now demolished Wolfson House and land settlement risks in relation to the piling activity to be undertaken for the building of the vent shaft. HS2 meet the professional costs of the two latter advisers and the specialist firm solicitors, BDB Pitmans, whose representations are also required in connection with legal consultations relating to HS2 and its works. In addition to our professional consultants, we are indebted to Centre Director, Daren Martin, Trustee, Garry Thomas, and past-Trustee, Terry Wright, for their willingness to join me in attending regular meetings and engaging with HS2 and their contractors.

Stephenson Way and the area around our Headquarters have been seriously impacted by the extremes disruption caused by the demolition of Wolfson House and whilst this largely coincided with the Covid pandemic, the building of the vent shaft and the further developments of Euston and Euston Square Stations will continue to impact on TMC for at least the next ten years. In view of this, I urge the Trustees (in close association with The Magic Circle and The Magic Circle Trustee Ltd.) to establish a succession

plan to ensure that they have representatives adequately equipped to continue efficient interaction with HS2 and its contractors when the present volunteers are no longer able to continue their service.

While this year's financial result reflects the extremely difficult trading conditions throughout 2020-21, we must maintain relationships with customers and suppliers to ensure their continued support, and that the disturbances around us do not turn them away. We rely on the continuation of our existing revenue generators to maintain our small annual surplus.

The outcome for the current year 2021-2022 is anticipated to remain challenging for the Foundation with the continued combined impacts of HS2, Brexit and COVID-19. Results will depend on public appetite for live performances and corporate interest in venue hire. We will continue to rely on our Centre Director to promote our venue for hiring and public events while seeking new approaches to its use and promotion.

While our annual surplus will continue to be impacted by current events, I am reminded that in 2011 the Foundation had an annual deficit of £120,747 and I am proud that over the past nine years we have proven our ability to adapt to changing circumstances and improve our processes thus allowing us to generate a substantial reserve and annual surplus.

Our work and success depends greatly on the ongoing support of volunteers, who have been active even at the height of the COVID-19 crisis. Managing a very public-facing building during a pandemic and while coping with the forces of HS2 as it demolishes the building adjacent to our own has been an enormous challenge especially when denied the satisfaction that comes from seeing TMC members meeting with one another and the presence of regular visitors and guests enjoying our facilities, exhibits and entertainments. I extend the Board's heartfelt thanks to Centre Director, Darren Martin, for his continued care of our building and its contents and for the renewed efforts of him and his team as The Magic Circle moves towards returning to its usual programme of events.

Our wholly owned subsidiary, the Centre for the Magic Arts (Trading) Ltd (CMAT) is responsible for handling all the trading type activity to do with shows, venue hire and bar and shop sales, while The Magic Circle Foundation Ltd (the parent charity) handles the upkeep of 12 Stephenson Way and staff or contractor employment, and recharges a proportion of its costs to the subsidiary trading company. All surpluses made by CMAT are transferred to TMCF Ltd. However, as a result of the closure of the building due to the pandemic CMAT has been largely unable to trade during 2020-21 so was unable to generate a surplus.

During the reporting period many capital expenditure projects have been put on hold due to the impact of Covid-19, however, essential repairs and upgrading continue to ensure that HQ is ready for use once the crisis is over.

The day-to-day accounting is handled by a part-time accountant, and a part-time bookkeeper, who provide the necessary accounts services including maintenance of the accounting records, billing and payments, preparation of quarterly financial reports, submission of VAT returns, and preparation of draft annual accounts. This work is carried out under the supervision of the Treasurer. We also continue to use a third-party agency to deal with payroll.

Since April 2019 TMCF has been responsible for the Young Magicians Club (YMC), The Magic Circle's long-running youth initiative. This has represented a wonderful opportunity for TMCF to widen its charitable work. In July 2021, the YMC reported having 300 members, and has been active with running successful on-line workshops throughout 2020-21 and a well-attended on-line Junior-Day event for members in October 2021. The Board acknowledges the hard work of YMC Chair Kevin Doig and his team. In September 2021, the Board officially appointed Alan Rogers as its Safeguarding Officer, who will work closely with Kevin Doig, who is also TMC's Child Protection Officer. Following the election of Megan Swann as President of TMC in September 2021, she also assumed the presidency of the YMC, most fittingly since, as a former YMC member, the club contributed to her success in magic and her subsequent outstanding contributions to TMC as its Secretary, Vice President and now President.

In the reporting period, we have had a number of changes to the composition of the Board.

Scott Penrose MIMC Gold Star and Noel Britten MIMC Gold Star both resigned from the Board. I thank them both for their respective contributions to the work of the Foundation.

Following the retirement of TCMF Chair, Peter Kyle OBE at the last Annual General Meeting (due solely to his length of tenure in the role), I agreed to take the Chair in a limited 'caretaking' capacity, and in doing so resigned my membership of TMC in order to comply with the requirement that the Chair of the Foundation should be neither a member of TMC nor a magician.

My hope was that, during this interim year (in which so many usual Foundation activities were put on hold by the Covid pandemic) the Board would consolidate its strengths following the disruptive internal difficulties that had impacted the organisation in the preceding 12 months, and would be able to focus on urgent task of recruiting new independent Trustees.

Due to the unity, commitment and vision of the Board and the hard work of the Secretary, we are now in a position to invite the membership to endorse the appointment of three highly qualified, independent Trustees whose breadth of experience and skill sets will be of great asset to the Foundation.

I commend to you Messrs Martin Kaufman, Neil Pritchard and Vimal Tilakaparla whom I hope will join our existing team of dedicated Trustees: Sarah Campbell, Barry Harris (Treasurer), Stuart Scott (Secretary), Megan Swann (TMC President) and Garry Thomas.

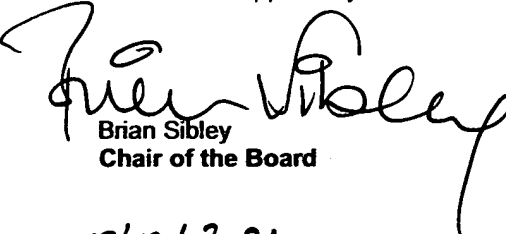
It is my intention to remain as Chair only as long as it takes the newly constituted Board to establish itself and reach a point where it is comfortable and confident in electing a new Chair.

I want to express my gratitude to David Cheeseman, our one remaining independent trustee from the Board's previous composition, who – after over ten years' service could have retired – offered to continue for a further year to support myself and the Board during this transitional year.

David steps down at this AGM but is willing to maintain his contact with TCMF and offer advice and support to the new Board. I hope that, at its first meeting, the Board will consider co-opting David as a non-voting Trustee and I look forward to continuing to benefit from his wisdom until our respective short-term work is done!

The company is, as always, very grateful to members of The Magic Circle who, under normal circumstances give their time and talent to put on our fantastic shows, particularly the Christmas Show as well as the ever-popular regular "The Magic Circle Mysteries", "Magic Circles Secrets", "Monday Morning Magic," "History and Mystery at The Magic Circle" and the "Close-Up at The Magic Circle" events. These shows consistently receive reports of high client satisfaction, and we look forward to a time when we can be fully up and running again with these splendid events.

The company relies heavily on a continually sustained and renewed loyal band of volunteers who put in so much of their time to run our public events and bring in much needed revenue. These activities have been significantly scaled down in this year but, once again, I offer a heartfelt "Thank you" to you all, and to my fellow Trustees, who are also, with me, volunteers. The continued support of you all is essential to the success of this enterprise.



Brian Sibley
Chair of the Board

18/12/2021

Company Details

Executive Committee / Board of Trustees

Member	Recent Changes
Mr Noel Britten (President of The Magic Circle)	Resigned 10/04/2021
Ms Sarah J Campbell	
Mr David Cheeseman	
Mr Barry Harris (Treasurer)	
Ms Megan Knowles-Bacon (Acting President of The Magic Circle)	Co-opted to Board on 18/04/2021
Mr Scott Penrose	Resigned 27/01/2021
Mr Stuart A Scott (Secretary)	
Mr Brian D Sibley (Chairman)	
Mr Garry Thomas	

Secretary and Registered Office
Mr S A Scott
12 Stephenson Way, London, NW1 2HD

Company Registration No.
02155182

Charity Registration No.
297582

Bankers
Handelsbanken
86 Jermyn Street, London SW1Y 6JD

Independent Examiner
Moore Kingston Smith LLP
The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London UB3 1HA

Solicitors
Bond Dickinson LLP
4 More London Riverside
London SE1 2AU

Trustees' Annual Report

The Trustees, who are also Directors and Members of The Magic Circle Foundation Limited ("the company") for the purpose of company law, are responsible, through the Board of Trustees for overseeing the business of the charity and hereby present their report and the independently examined financial statements for the year ended 31 March 2021.

The financial statements comply with the Charities Act 2011 and the 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).

Structure, Governance and Management

The company is a registered charity (no.297582) limited by guarantee and is governed by its Memorandum and Articles of Association. The company was incorporated on 17 August 1987 and was established under a Memorandum of Association, which identifies the object and powers of the charitable company. The company is governed under its Articles of Association. The Memorandum and Articles were brought up to date and approved by the members of the Centre for the Magic Arts Limited (the former name of The Magic Circle Foundation Limited) at the AGM of 5 October 2015.

In the event of the company being wound up, members of the company are required to contribute an amount not exceeding £1.

The Trustees of the company at the date of the 2020-21 AGM, are:

Ms S J Campbell, Mr D S Cheeseman, Mr B Harris, Ms M Knowles-Bacon, Mr B D Sibley,
Mr SA Scott, Mr G Thomas

We thank our very able accountant (Karen Butler) and bookkeeper (Sally Young) for dealing with matters financial so efficiently during this period.

New Trustees are appointed by the Board of Trustees in the short term and elected by the members at the first available AGM according to Article 57. Under the requirements of the Articles of Association the longest serving committee members at the time of the AGM must retire and may offer themselves for re-election. There are currently 315 Members of the company (including the Directors) each of whom pays a £1 annual subscription through their membership subscription to The Magic Circle (TMC) renewable in the Spring of each year and who are entitled to vote at the AGM. We require that each member of the company gives their consent at each renewal of their TMC membership to continue also to be a member of the company. This is addressed with members by TMC at the time of their renewal of TMC membership.

The members of the board are considered to be key management and do not receive any remuneration for their role as board member.

The Trustees meet at a monthly Trustees' board meeting to review company performance and to establish and monitor actions to fulfil their responsibilities. Should there be a need for any urgent action then the board communication system by e-mail and Slack is considered quite sufficient.

The subsidiary company, Centre for the Magic Arts Trading Ltd (CMAT Ltd) is registered at Companies House (a private limited company incorporated 26 October 2011; company number 07824803). The business of CMAT Ltd is reported and monitored through the board of trustees meeting. The two Directors of CMAT Ltd are Mr Barry Harris, Treasurer of TMCF, and Mr Darren Martin, the Centre Director. (Mr Scott Penrose was a Director of CMAT until his resignation on 27th January 2021) This combined management system simplifies the administrative burden of the two companies. The clear separation between the two companies can be seen at the financial accounts level as reported below

and in the annual report for CMAT Ltd. Unless otherwise specified, in this annual report "the company" refers to the charity TCMF Ltd and its subsidiary CMAT Ltd together.

Objectives and Activities

The main object of the charity, TCMF Ltd, is to promote the education of the public in the history and practice of the art of magic, in particular by:

- maintaining a library and museum of magic works and artefacts;
- promoting public lectures; and
- providing or assisting in the provision of a centre for meetings, lectures, classes and other forms of education for the benefit of the public.

Specifically, there are morning entertainments for families, lunchtime entertainments for institutes, rotary clubs and like bodies all at a reduced rate when compared with the evening sessions; there are also free entertainments for local schools and disadvantaged children offered to the local council; and the library is made available in the presence of a librarian free of charge to all of those conducting academic research. Special charitable events are also organised as fund-raisers and we are very grateful to all of those who give freely of their time to organise and perform at these events.

The main objective of the subsidiary, CMAT Ltd, is to generate enough income through commercial activities to be able to maintain our building and to fund charitable activities.

Achievements and Performance

Despite the very poor trading conditions the company generated a small surplus, achieved through a combination of good control of costs, reduced costs resulting from the building closure, and government Covid-19 related business closure grants totalling £25,649.

There was an opportunity, in between national lockdowns, to run three Close-Up at The Magic Circle events in both September and October 2020, and one in December 2020. This is a long standing popular public event, but tickets sales were required to be restricted. The hugely popular Magic Circle Christmas Shows are the company's main revenue generator each year, but these could not be held in 2020.

Corporate venue hire is an important element of our business strategy, although in response to changes in the pre Covid-19 economic environment we had sought to increase our income from performances. The future for corporate venue hire will need to be assessed in the coming months.

The company is, as always, very grateful for the hard work of its management team and thanks them very much. It also will continue to rely very heavily on its many volunteers who give freely of their time to help at public events. Without this generous time commitment it would not be possible to run these events. The Trustees are very grateful for this loyal support, which, although it cannot be quantified in the accounts, is exceptionally valuable and is much appreciated. Thank you to all!

It can be seen in the accounts that the company has continued to incur costs as we continue to protect our interests and address the plans of the HS2 company, HS2 Ltd, to re-construct Euston Station. HS2 Ltd have demolished the building on the east side of 12 Stephenson Way (Wolfson House) thus exposing the party wall. They are presently constructing a vent shaft to serve the Northern Line Underground railway (replacing the current vent shaft in Melton Street at the side of Euston Station). Plans are being shared with us through the Stephenson Way Group of charities (SWG) but it is clear that access to our building will continue to be restricted, although not totally closed, and there continues to be construction disturbance. To this end we attend regular monthly meetings with HS2 where we are briefed on progress. We thank the other members of the SWG for their partnerships as we move forward. The members of this group, who all own premises around Stephenson Way, are The Royal College of General Practitioners, The Wellcome Foundation, The Quaker House, The Wesley Hotel (International Methodists Centre), The Royal College of Ophthalmologists, and The Royal Asiatic Society. All of these organisations are charities. We are very grateful for the contributions that these charities make alongside us when working on HS2 matters.

The government enforced lockdown, as a result of Covid-19, forced the closure of 12 Stephenson Way on 16th March 2020. While the longer term impact on the ability of the trading company to generate income for the Foundation is not yet clear we will have to adapt and find new ways of working in 2021-22. It is our intention to review the longer term sustainability of the trading company in the coming months. We do expect the trading conditions to continue to be challenging but we have confidence that we have sufficient reserves to sustain the Foundation in the short to medium term.

Financial Review

Since 2013 all trading activities and public performances have been accounted for in the books of CMAT, the wholly owned subsidiary of TMCF. This has been done in order to comply with the requirements of the Charity Commission. TMCF continues to manage the building at 12 Stephenson Way and to employ the staff needed to run the charity and administer all the activities of the two companies. TMCF then charges an administration and management fee to CMAT for its share of these costs. Finally, CMAT remits all its profit for the year back to TMCF by way of a charitable donation.

A surplus for the year of £2,863 is slightly higher than last year's surplus of £1,682, an increase of just £1,181. Severe trading restrictions during 2020-21 resulted in the trading company making a loss for the first time since it started trading in 2013, this contributed to an overall decrease in income for the Foundation of £55,443. This is after taking into account the £25,649 grant income received. The Foundation was able to still make a small surplus as a result of a drop in overhead expenditure of £56,624 through a combination of efforts to contain costs, the suspension of business rates, and savings in utility costs due to the closure of the building.

The main components of the rise in surplus this year were:

£	(52,224)	decrease in general income
£	(3,219)	decrease in YMC income
£	625	decrease in HS2 related costs
£	51,680	decrease in other operating costs
£	<u>4,319</u>	decrease in cost due to YMC activities
£	<u>1,181</u>	Total net increase in surplus

The surplus for the year combined with the loss made by the trading company takes the reserves of both companies together to £392,246, of which only £1,220 is restricted.

At the year-end we had cash at bank and in hand in both companies together of just under £397,000, a decrease of £73,000 over the previous year (to the nearest thousand pounds).

Independent Examination

Independent examination, an approach permitted by the Charity Commission, is a simpler and less expensive form of external scrutiny than a full audit. For future years the Trustees will consider which version of external scrutiny, independent examination or audit, they believe is in the best interests of the company, including its subsidiary, at the time. The two companies, TMCF and CMAT, are reviewed separately.

Reserves Policy and Review

The charitable company aims to maintain reserves sufficient for its effective operations and as a provision for refurbishment costs, normal maintenance and running costs.

The Trustees regularly monitor and discuss the opportunities available to the charitable company and the risks to which it is exposed.

The Trustees consider and review the financial performance of the charitable company in terms of income generation from commercial activities and public events while controlling the costs of the maintenance and upkeep of the building through the Centre Director and support staff.

The prospects for future periods are considered at each Trustees' Board Meeting to ensure that the company can meet its objectives and to ensure reserves are in place to enable the on-going success of the company.

Plans for Future Periods

The trustees are mindful of the restrictions imposed on the Foundation as a result of government policy on Covid-19.

The Director of the Centre works with the Board of Trustees to find new ways of improving and adapting the business.

The commercial activities of the subsidiary company are seen as vital for maintaining the on-going success of the charity. Funds continue to be required for a programme of maintenance and refurbishment of The Magic Circle building. To this end we intend to continue, with the help and support of members of The Magic Circle, to develop the events programme. We will also continue to look at ways of maximising income from the corporate hire of the building. As the Covid-19 crisis subsides and new ways of working develop we will be better able to identify and implement sustainable income generation streams.

Public Benefit

The trustees are aware of the Charity Commission's guidance on public benefit.

Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the short to medium term. However, the ongoing uncertainty regarding the global pandemic will require the Centre Director and the board to continuously monitor and review the impact on the Foundation and the trading subsidiary.

Fundraising

It is the intention of the Board of Trustees to establish a committee with the remit of considering types of additional fundraising that could be undertaken, and how this might be done and is aware of the code issued by the Fundraising Regulator.

Risk Management

The board conducts reviews of the major risks facing the company, which are recorded in a risk register,

- The establishment of systems and controls to mitigate the risks identified; and
- The implementation of procedures designed to minimise any potential impact on the company should any of those risks materialise.

As with the management of financial reserves, emerging risks that the company faces are considered at committee meetings and strategies, controls and systems developed to help mitigate each risk.

As reviewed above one of the major risks for the near future continues to be the plan to increase the size of Euston Station as part of the proposed HS2 High Speed train link, which would bring the new station premises immediately next to our building at the eastern side. The Magic Circle Council and The Magic Circle Foundation Limited together are working with the HS2 team and an external consultant on an ad hoc basis to address our need for disturbance to be minimised and our need to continue in business, and also to ensure that we do not miss any opportunities.

Until the impact of Government measures on the economic environment are known the Trustees are unlikely to see the full impact of Covid-19 on charitable and trading activities. However, with the existing levels of reserves, the Trustees believe that the Foundation is well placed to cope with these challenges and anticipates emerging from the crisis in good shape.

Statement of Trustees Responsibilities

The Trustees (who are also members and directors of The Magic Circle Foundation Limited for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company 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 accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- a) there is no relevant information of which the charitable company's independent examiners are unaware; and
- b) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiners are aware of that information.

Small Company Exemption

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

On behalf of the Board



Stuart Scott
Secretary

18/12/2021

Independent Examiner's Report
to the Trustees of The Magic Circle Foundation Limited

I report to the charity trustees on my examination of the accounts of the Magic Circle Foundation Limited for the year ended 31 March 2021.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

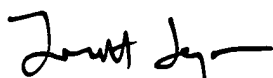
The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

Independent examiner's statement

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.



Jonathan Seymour
Moore Kingston Smith LLP
The Old Vinyl Factory,
Blyth Road, London UB3 1HA

Date: 22 December 2021

Statement of Financial Activities
(incorporating income and expenditure account)
for the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
	1				
Income from:					
Donations and legacies		564	-	564	47,711
Other trading activities		106,219	-	106,219	138,220
Government grants		26,941	-	26,941	-
Investments		78	-	78	95
Charitable activities		12,617	-	12,617	15,836
Total income		<u>146,419</u>	<u>-</u>	<u>146,419</u>	<u>201,862</u>
	2				
Expenditure on:					
Raising funds		(130,500)	-	(130,500)	182,805
Charitable activities		(13,056)	-	(13,056)	17,375
Total expenditure		<u>(143,556)</u>	<u>-</u>	<u>(143,556)</u>	<u>200,180</u>
Net movement in funds		2,863	-	2,863	1,682
Funds Brought Forward		471,292	1,220	472,512	470,830
Funds Carried Forward		<u>474,155</u>	<u>1,220</u>	<u>475,375</u>	<u>472,512</u>

There are no other recognised gains and losses other than those shown above.

Since 1 April 2013 trading activities and public events have been managed by Centre for the Magic Arts Trading Ltd ("CMAT"), a wholly owned subsidiary of The Magic Circle Foundation Limited ("TMCF") (formerly Centre for the Magic Arts Limited). Profits generated by CMAT are paid to TMCF by way of a charitable donation.

Balance Sheet
as at 31 March 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets					
Tangible fixed assets	4		10,055		16,471
Current assets					
Debtors	5	345,595		291,131	
Cash at bank and in hand		174,794		201,612	
			520,389		492,744
Creditors, amounts falling due within one year	6	(10,902)		(36,702)	
Net Current Assets			509,487		456,042
Creditors, amounts falling due after one year	7		(44,167)		-
Net Assets			475,375		472,512
Represented by:					
Restricted funds	8		1,220		1,220
Unrestricted funds	8		474,155		471,292
			475,375		472,512

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

These financial statements were approved by the Board on 18/12 2021 and signed on their behalf by:

Treasurer
Barry Harris



Notes to the financial statements

1 Principal Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of accounting

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Magic Circle Foundation Limited meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties regarding the Trust's ability to do so.

c) Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure that meets these criteria is identified to the fund.

d) Unrestricted funds

Unrestricted funds are donations and other income received or generated for the charitable purposes as the Executive Committee thinks fit.

e) Voluntary income

Voluntary income is received by way of grants, donations, gratuities and gifts and is included in full in the Statement of Financial Activities when received. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

f) Hiring and public events income

Hiring and public events income is recognised when the charity is entitled to the income and the amount can be reasonably quantified with reasonable accuracy. Amounts received relating to future events are recognised as deferred income.

g) Bar and retail income

Bar and retail income is recognised on the date when the sales transaction is completed.

h) Government grants

Government grants are recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

i) Investment income

Investment income is included when receivable.

j) Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments with short term maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Fixed assets

All fixed assets are held at cost less depreciation.

Expenditure in relation to fixed assets is capitalised where an item is expected to remain in the business for 3 years or more, and is of a value of £500 or more.

Depreciation is calculated to write off the cost of tangible fixed assets in instalments at the following annual rates:

• Library books	25% straight line
• Fixtures, fittings and equipment	25% straight line
• Young Magicians equipment	25% straight line
• IT equipment	33% straight line

l) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT that cannot be recovered.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with magic performances and shows and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resource.

m) Liabilities

Liabilities are recognised when the charity has an obligation to make a payment to a third party.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustee's best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The trustees do not consider there to be any estimates and judgements.

2 Expenditure

	Trading activities and public events £	Centre Management £	Governance £	Total 2021 £	Total 2020 £
Costs allocated directly to activities:					
Independent examination	-	-	3,080	3,080	4,100
Legal and professional	-	-	4,200	4,200	4,825
Young Magician's Club		-	-	13,065	17,375
Support costs for activities:					
Staff salaries & tax	45,139	23,253	-	68,392	79,362
Premises costs	26,889	13,852	-	40,741	73,960
Office costs	4,712	2,428	-	7,140	14,629
Depreciation	4,234	2,181	-	6,415	5,325
Bank charges & interest	245	144	144	533	604
Total expenditure	<u>81,219</u>	<u>41,858</u>	<u>7,424</u>	<u>143,556</u>	<u>200,180</u>

Support costs are allocated to each activity cost category as above according to the proportion of the year for which the centre was used for each source of income. The total amount re-charged to the trading subsidiary CMAT for administration and management costs relating to CMAT trading activities was £81,219 (2020: £113,220).

	Trading activities and public events (recharged to CMAT) £	Centre Management £	Governance £	Total 2020 £
Costs allocated directly to activities:				
Independent examination	-	-	4,100	4,100
Legal and professional	-	-	4,825	4,825
Young Magicians Club	17,375	-	-	17,375
Support costs for activities:				
Staff salaries & tax	52,380	26,982	-	79,362
Premises costs	48,232	25,728	-	73,960
Office costs	8,815	5,814	-	14,629
Depreciation	3,515	1,810	-	5,325
Bank charges & interest	278	163	163	604
Total expenditure	<u>130,595</u>	<u>60,497</u>	<u>9,088</u>	<u>200,180</u>

3 Staff costs

	2021 £	2020 £
Staff costs:		
Contracted staff	11,014	15,607
Wages and salaries	55,000	54,151
Social security costs	2,378	7,604
Pension	-	2,000
	<u>68,392</u>	<u>79,362</u>
	2021	2020
Average monthly number of employees, by function:		
Centre Director	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

No employee received emoluments in excess of £60,000 p.a. (2020: none).

No directors received any remuneration for the year (2020 - £nil).

Expenses reimbursed to directors aggregated to £nil (2020 - £nil).

The members of the board are considered to be key management and do not receive any remuneration (2020: £nil)

4 Tangible Fixed Assets

	Library equipment	Fixtures, fittings and equipment	Computer equipment	Total
	£	£	£	£
Cost:				
As at 1 April 2020	6,590	227,209	22,099	255,898
Additions	-	-	-	-
As at 31 March 2021	<u>6,590</u>	<u>227,209</u>	<u>22,099</u>	<u>255,898</u>
Depreciation:				
As at 1 April 2020	6,590	216,290	16,547	239,427
Charge for the year	-	3,639	2,776	6,415
As at 31 March 2021	<u>6,590</u>	<u>219,929</u>	<u>19,323</u>	<u>245,842</u>
Net book value:				
As at 31 March 2021	<u>-</u>	<u>7,280</u>	<u>2,776</u>	<u>10,055</u>
As at 1 April 2020	<u>-</u>	<u>10,918</u>	<u>5,552</u>	<u>16,471</u>

5 Debtors

	2021 £	2020 £
Amounts due from subsidiary company	304,465	266,963
Prepayments and accrued income	39,234	20,004
Other debtors	1,896	4,164
	<u>345,595</u>	<u>291,131</u>

6 Creditors, amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	3,617	4,000
Other creditors	1,452	32,702
Covid Recovery Bounce Back Loan Scheme	5,833	-
	<u>10,902</u>	<u>36,702</u>

7 Creditors, amounts falling due after one year

	2021 £	2020 £
Covid Recovery Bounce Back Loan Scheme	44,167	-
	<u>44,167</u>	<u>-</u>

8 Movement in Funds

	As at 1 April 2020 £	Total income £	Total expenditure £	As at 31 March 2021 £
Restricted funds:				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds:				
General Funds brought forward	471,292	146,419	(143,556)	474,155
	<u>472,512</u>	<u>146,419</u>	<u>(143,556)</u>	<u>475,375</u>

	As at 1 April 2019 £	Total income £	Total expenditure £	As at 31 March 2020 £
Restricted funds:				
Young Magicians Equipment	83	-	-	83
Museum	1,137	-	-	1,137
	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds:				
General fund brought forward	469,610	201,862	(200,180)	471,292
	<u>470,830</u>	<u>201,862</u>	<u>(200,180)</u>	<u>472,512</u>

9 Analysis of Net Assets between Funds

	Tangible fixed assets £	Net current assets £	Liabilities due >1 year £	Total 2021 £
Restricted funds:				
Young Magicians	-	83	-	83
Equipment	-	1,137	-	1,137
Museum	-	1,220	-	1,220
	<u>-</u>	<u>1,220</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds	10,055	508,267	(44,167)	474,155
	<u>10,055</u>	<u>509,487</u>	<u>(44,167)</u>	<u>475,375</u>
	Tangible fixed assets £	Net current assets £	Liabilities due >1 year £	Total 2020 £
Restricted funds:				
Young Magicians	-	83	-	83
Equipment	-	1,137	-	1,137
Museum	-	1,220	-	1,220
	<u>-</u>	<u>1,220</u>	<u>-</u>	<u>1,220</u>
Unrestricted funds	16,471	454,821	-	471,292
	<u>16,471</u>	<u>456,041</u>	<u>-</u>	<u>472,512</u>

General Fund:

Funds are held available for ordinary purposes of the company.

Young Magicians Equipment and Museum: These funds are used to purchase equipment.

10 Limited by Guarantee

The company is limited by guarantee, each member having guaranteed to pay a maximum of £1 should the company be wound up. At present, there are 315 members.

11 Related Parties

During the year the company charged The Magic Circle £25,000 (2020: £25,000) for the use of 12 Stephenson Way. N. Britten, S. Penrose and B. Sibley, who are directors of The Magic Circle Foundation Limited, are also members of the Council of The Magic Circle.

The Magic Circle granted The Magic Circle Foundation Ltd (formerly the Centre for the Magic Arts Limited) an 80-year lease of the premises at 12 Stephenson Way in 1998 at a rent of 20% of the company's turnover in excess of £250,000 (indexed).

Included in other debtors at the year end is £296 (2020: £297) due from The Magic Circle. Included in other creditors at the year end is £945 (2020: £3,048) due to The Magic Circle.

12 Subsidiary Undertaking

The company has incorporated a subsidiary: Centre for the Magic Arts Trading Limited ("CMAT").

The company owns 100% of the ordinary share capital of CMAT, comprising one share with par value of £1.

Since 1 April 2013 trading activities and public events have been managed by CMAT. Profits generated by CMAT are paid to the company by way of a charitable donation.

The subsidiary generated a net loss of £83,129 (2020: net profit £42,499) in the year.