

# **Cinemagic Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report)**

**Year ended 31 March 2023**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

#### **Reference and administrative details**

<b>Registered charity name</b>	Cinemagic Limited
<b>Charity registration number</b>	XR28542
<b>Company registration number</b>	NI033497
<b>Principal office</b>	49 Botanic Avenue Belfast BT2 8BG
<b>Registered office</b>	c/o FEB Chartered Accountants Linenhall Exchange 26 Linenhall Street Belfast BT2 8BG
<b>The Trustees</b>	Ms M Hatfield Mr A O'Neill Ms K Smith Ms G Mulqueen Mr M Lennox Mr P Snodden
<b>Auditor</b>	FEB Chartered Accountants Chartered accountants & statutory auditor Linenhall Exchange 1st Floor, 26 Linenhall Street Belfast Northern Ireland BT2 8BG
<b>Bankers</b>	Bank of Ireland 4-8 High Street Belfast BT1 2BA

# **Cinemagic Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2023**

#### **Structure, governance and management**

Cinemagic Limited is constituted as a company limited by guarantee and is governed by a Memorandum and Articles of Association.

The Board of Trustees are responsible for the strategic management of the charity. The Board of Trustees and names of principal advisers are set out on page 1.

The Board appoints all new trustees based on selection criteria, which ensures that collectively it maintains a broad range of relevant skills and experience. An induction programme is offered to all new trustees to ensure that they are briefed on the charity's objects, strategy and activities.

The trustees have the overall responsibility for the system of internal control for the charity, which includes ensuring that there are reasonable procedures in place for the prevention and detection of fraud and other irregularities. However, such a system can provide only reasonable, but not absolute, assurance against errors and fraud.

Significant risks are highlighted for consideration and monitored by the Board. These include:

- the risk of cuts in funding beyond 2022-2023 funding agreements; and
- the risk of failing to build sufficient cash reserves;

All major risks to which the charity is exposed, which have been identified by these procedures, have been reviewed. Systems have been implemented to mitigate these risks and are continually developed or enhanced. Risk assessment is carried out on an annual basis. Financial systems for setting, controlling and monitoring budgets have been implemented and are continually monitored.

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### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2023**

#### **Objectives and activities**

Cinemagic is managed by a Chief Executive who reports to a Board of Directors and as a charity, Cinemagic's fundraising model includes a combination of public funding, private sponsorship, and self-generated income from event ticket sales. Established in Belfast in 1989, during the 'Troubles', Cinemagic's aim was to bring together young Catholic and Protestant Children in a safe environment, where they could meet each other, learn about their respective cultures, traditions and develop new skills and confidence. Cinemagic believes that film and television provide more inclusive and accessible ways to promote learning, motivation, skills development and stimulating cross-community engagement among young people.

Discussion and interaction between young people from different backgrounds encourages and promotes respect and facilitates shared education and learning and social integration in a positive way between communities. Cinemagic has worked on numerous community filmmaking projects over the last 33 years, with hundreds of schools on cross community peace and reconciliation projects and the production of Northern Ireland's and Ireland's first Christmas feature film 'A Christmas Star' and in 2017, Cinemagic's second feature film Grace and Goliath. The organisation is currently developing plans to produce our 3rd feature film in 2024 which will involve the same model, training young in the film industry and providing skills opportunities and practical experience working on a film set.

Cinemagic has developed a worldwide reputation for excellence in children's programming and in creative and innovative approaches to strengthening and building skills for the future in creative industries. It is currently the largest film event for young people in Ireland and the UK, now attracting over 40,000 people annually. To date Cinemagic is focused on the cultural, social and educational benefits that film can bring to tackling poverty and social exclusion and has focused these values on all of its activities.

Cinemagic delivers creative programmes which address social exclusion and associated problems of bullying, drugs, other addictions, sectarianism - i.e., hard hitting issues that young people are dealing with daily, particularly in areas of social and economic disadvantage. The organisation works with hundreds of schools and community groups at grass roots level throughout Northern Ireland, Ireland, and the USA. Building on this work the organisation delivers cross community projects which engage with similar projects on an intercontinental basis to bring young people from across Ireland, and from various backgrounds and abilities, together with international peers to learn and share ideas.

Cinemagic aims to develop the skills and capabilities of the next generation of young people, particularly those from disadvantaged areas and backgrounds, by exposing them to international expertise to help develop skills for the future.

Alongside this the organisation seeks to build powerful international political and corporate networks that can be leveraged to help to grow the creative industries locally, nationally, and internationally and scale up as outstanding creative and innovative approaches to tackle poverty and social exclusion.

Our ethos is underpinned by the belief that experiencing film and encouraging filmmaking helps young people become critical thinkers, allows them to examine the world around them and discover cultures beyond their own. Cinemagic programmes are designed to inspire, motivate, and educate young people, contributing to their cultural, creative and personal development. Cinemagic hosts annual film festivals and programmes in Belfast, Dublin, London, Boston, and Los Angeles.

Over the last number of years Cinemagic has been proud to welcome guests such as Brian Cox, Danny Boyle, Sir Alan Parker, Colin Hanks, Mark Kermode, Suranne Jones, Helen Mirren, Ralph Fiennes, Lindy Hemming, Stephen Warbeck, The Henson Company, Roy Disney, Hamish Hamilton, Dermot O'Leary, Saoirse Ronan, Liam Neeson and many more industry professionals to the festival where they have given their time to share knowledge and skills with young people.

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**Year ended 31 March 2023**

Cinemagic is the only film festival of its kind for young people in Northern Ireland and Ireland - It is designed for and by young people. The organisation continues to be endorsed by government in the North and South of Ireland for its excellent work in children's film education and its social outreach achievements. In 2019, Cinemagic won Best Creative Business at the 2019 Belfast Business Awards.

#### **STRATEGIC OBJECTIVES**

##### ***Objective 1 - To be recognized as the leading children's festival in the world.***

- Increase Cinemagic's awareness, participation, and audience figures.
- To provide a festival programme of cultural, classic, and new film screenings, educational workshops, film discussions, masterclasses, and workshops.
- To produce a rich and diverse festival film programme offering choice, accessibility for all and an increase in audience participation.
- To monitor and evaluate the festival with target audience and parents, teachers etc.
- To form an international link with other children's film festivals/juries and distributors.
- To expand the Cinemagic film jury programme and Cinemagic Young Film Maker as a significant national competition.
- To further expand the Cinemagic outreach and education programme throughout NI.
- To grow international showcases, film making and training projects in USA and Middle East, expanding and developing new audiences and profile of the charity internationally.

##### ***Objective 2 - To give all young people from different backgrounds an opportunity to learn and achieve new skills and gain new experiences.***

- To provide opportunities for children to view and discuss a wider range of moving image material such as world cinema and independent/cultural cinema.
- Consult educators to inform programming.
- To annually have several Cinemagic Consultants and jury who input into the festival in programming and delivery.
- To extend the primary and secondary school film education events within the festival including targeting areas of social need.
- Provide masterclasses for young people in filmmaking, and to encourage young people to participate in Cinemagic film making projects and consider careers in the creative industries.
- To encourage and support family and community participation in screenings and events.
- To provide creative opportunities for sections of society who struggle to attend events due to financial and geographical limitations.

##### ***Objective 3 - To develop new and innovative and online opportunities that educate, inspire and motivate young people throughout Northern Ireland.***

- To provide creative opportunities for ALL young people, with special emphasis on those sections of society who struggle to attend events due to financial and geographical limitations.
- To increase the Cinemagic outreach and education programme throughout Northern Ireland.
- To develop and maintain an annual Young Film Makers Competition as part of the festival each year that screens young people's work and recognises young talent.

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### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2023**

***Objective 4 - To be a financially secure and sustainable organisation with a professional, competent, and motivated workforce.***

- To secure funding from both public and private sector.
- To annually increase box office.

Cinemagic will be focusing on developing more partnerships with the business communities and private sector.

#### **HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT**

Cinemagic delivers educational and outreach events throughout the year and with thousands of young people from very marginalised areas. Cinemagic is a vehicle which can bring young people together irrespective of their race, colour or economic background to engage in intercultural dialogue and breakdown barriers in a positive and educational creative environment.

Cinemagic projects not only develops young people's confidence, skills, perspectives but helps how they contribute to their communities and those around them. Cinemagic can facilitate cultural exchange between young people from different communities and countries and provide unique opportunities inspiring and supporting entry into the film and television sectors and the wider creative industries.

Cinemagic focuses on developing personal skills and assisting in finding ways for young people to gain valuable training and assist with closing the skills gaps which currently exist in Northern Ireland. Cinemagic is a model of excellence in using the creative industries to inspire social and economic change.

We believe that Cinemagic has a role to play in helping Northern Ireland build a peaceful, fair and prosperous society, which promotes equal opportunities and tackles social exclusion for young people from areas of extreme disadvantage.

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### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2023**

#### **Achievements and performance**

Now in its 33rd year, Cinemagic is an award winning international children's charity that inspires, educates and empowers young people through the medium of film and television. We run Europe's largest children's film festival with ambitions to become the largest Children's Film Festival of its kind.

Founded in 1989, Cinemagic has touched the lives of more than 500,000 young people at home and abroad. The majority of young people we work with are from marginalised or disadvantaged backgrounds. We directly touch the lives of more than 40,000 young people around the world each year with plans to increase that figure substantially over the next three years.

The focal point of our cultural outreach is 'Festival' but in recent years we have expanded our core product to include different layers of outreach - social, educational and vocational. This activity is delivered primarily through educational programmes, industry led initiatives and community based projects.

Cinemagic's impact on the lives and cultural wellbeing of individuals and communities is profound. Our mission statement is to ignite the passion and potential of young people through the magic of moving image and our purpose to create WOW through experience. Our legacy will have been to 'change the lens through which young people see themselves and their surroundings'.

#### **KEY ACHIEVEMENTS**

- o Cinemagic recently won Best Creative Business in the 2019 Belfast Business Awards
- o In March 2019 Cinemagic was Honoured to be selected and visited by The Duke and Duchess of Cambridge to Honour the work of the charity.
- o Cinemagic is recognised for its ability to engage with young people, to stimulate discussion on social issues and to inspire and encourage children and young people to thrive and be fully engaged in the social and economic life of their community. Cinemagic delivers creative programmes which address social exclusion and associated problems of bullying, drugs, other addictions, sectarianism - i.e. hard hitting issues that young people are dealing with on a daily basis, particularly in areas of social and economic disadvantage.
- o All Cinemagic activity such as screenings, workshops, masterclasses and film camps provides complimentary places to young people from areas of social and economic disadvantage. Cinemagic also proactively works with young people with various levels of disability.
- o Cinemagic proactively targets young people aged 4 - 25 who would not normally have an opportunity to access creative initiatives that can build confidence and enhance learning. Cinemagic activities also have a strong Intergenerational Social Inclusion focus.
- o Cinemagic supports equality of opportunity for young people from disadvantaged areas and backgrounds by providing opportunities to learn from leading film and television professionals through the festival education programme. The organisation works with hundreds of schools and community groups at a very grass roots level throughout Northern Ireland.
- o Cinemagic supports delivery of FILMCLUB in Northern Ireland. This is targeted at the Extended Schools (ES) programme, which involves schools serving areas of the highest social deprivation. Over the last 3 years Cinemagic has engaged with 168 ES schools. The ES programme aims to improve levels of educational achievement and the longer term life chances of disadvantaged children and young people by providing the necessary additional support which can enable those children to reach

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#### **Year ended 31 March 2023**

their full potential. The ES programme provides for a wide range of services or activities outside of the normal school day to help meet the needs of pupils, their families and local communities.

#### **Financial review**

Results for the year ended 31 March 2023 are given in the Statement of Financial Activities on page 14. The assets and liabilities as at 31 March 2023 are given on the Statement of Financial Position on page 15. The financial statements should be read in conjunction with their related notes, which appear on pages 16 to 24.

#### **In summary:**

- total incoming resources increased by 3.16% (2022: increase of 14.03%) to £630,204 (2022: £610,902)

- total resources expended increased by 0.22% (2022: increase of 36.16%) to £611,868 (2022: £610,555)

- net surplus for the year on restricted funds was £18,336 (2022: net surplus of £347)

The charity's key funders in 2022/23 were Northern Ireland Screen (encompassing After School Film Club) and Belfast City Council currently contribute funding towards its core activities with additional major funders of Skillset, BFI, Big Lottery, Ignite, Arts Council, Harbour Commissioners & Creative Industries & Digital Technologies Fund providing major funding for other specific projects undertaken by Cinemagic Limited.

#### **DESIGNATED RESERVES**

The Board has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between 3 and 6 months of the expenditure.

The reserves are needed to meet the working capital requirements of the charity and the Board are confident that at the level agreed they would be able to continue the current activities of the charity in the event of a significant drop in funding.

The present level of reserves available to the charity falls over the 3-month target level. The strategy is to continue to build reserves through planned operating surpluses.

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#### **Plans for future periods**

#### **KEY STRATEGIC GOALS**

##### **STRATEGIC TARGETS for 2023**

Please note new targets will be set for 2024 and 2025 as the environment/Government legislation starts to evolve.

- Secure funding of £600,000 in 2024, to enable Cinemagic to deliver all projects.

- In 2023, we aim to produce a rich and diverse festival programme; Increasing engagement with schools and communities by 5% per year.

- The 2023 Cinemagic Belfast Film and Television festival will include a minimum of 216 events that will provide an even bigger platform for learning and development.

- To develop the Young Consultants programming panel, Cinemagic Film Jury programme, BFI Film Academy and additional outreach programmes and projects, growing audience participation by 5% per year.

- Grow the Young Film Maker Competition, 'On The Pulse' into a stand alone event which happens as a separate time of the year to the festival, securing over 600 entries per year. The objectives is to grow the event 'On the Pulse' into an annual cultural and film making competition and festival which attracts hundreds of local and international participants each year.

- To deliver 2 international film making projects per year.

- To develop the Cinemagic Alumni network and a framework for peer to peer learning, that supports wider industry talent development.

- To grow funding/sponsorship revenues by at least 5% over the next 3 years

- To deliver minimum x 5 short films/behind the scenes documentaries per year

- To deliver one Feature Film Production between 2023 - 2025

##### ***International Growth***

Delivering international educational film and training projects of this kind will happen on an annual basis.



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**Year ended 31 March 2023**

#### **Trustees' responsibilities statement**

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:


- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

#### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 14 December 2023 and signed on behalf of the board of trustees by:

  
Ms M Hatfield (20/20/2019 00:05 GMT)

Ms M Hatfield  
Trustee