

MAGIC LANTERN

Registered Charity Number: 1048092

FINANCIAL STATEMENTS

for the year ended

31 March 2020

MAGIC LANTERN

CHARITY INFORMATION

Trustees: J Wood
D Schomberg
L Varley
A Smith
S Phipps
J Hookes

Administrator: M Sanders

Charity number: 1048092

Business address: 8 Harefield Road
London
N8 8QY

Independent Examiners: Fisher Phillips LLP
Chartered Accountants
Summit House
170 Finchley Road
London
NW3 6BP

MAGIC LANTERN

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Trustees submit their annual report and the financial statements for the year ended 31 March 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Reference and administrative details

Name	Magic Lantern
Registered charity number	1048092
Charity's principal address	8 Harefield Road London N8 8QY
Trustees	J Wood D Schomberg L Varley A Smith S Phipps J Hookes
Administrator	M Sanders
Bank	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

Structure and governance

The Charity is governed by its Trust Deed dated 15 June 1995. The Charity became registered with the Charity Commission on 2 August 1995.

Trustees are appointed by a Resolution passed at a Special meeting of the Trustees in accordance with the Trust Deed. Training is and will continue to be provided as and when Trustees are inducted.

Objectives and activities

The principal object of the Charity is to advance the education of the public and of school children in particular, in painting and fine art. The Charity also aims to use visual images as a means to enhancing the whole school curriculum and helping children to develop a range of skills.

In planning the activities for the year, the Charity has kept in mind the Charity Commission's guidance on public benefit at the trustee meetings. The Charity works to achieve the above objective through the use of visual workshops that show famous paintings and sculpture in schools and adult groups including prisons, homeless centres, hospices and residential care homes. The workshops are given in an interactive way so that pupils (and teachers) learn through question and answer, copying poses, tracing the painter's brushmarks on the screen and many other hands-on activities. Authentic artists' materials are shown and their use demonstrated.

The Charity has taken account of the Charity Commission's guidance on public benefit in reviewing its aims and objectives and in planning future activities. The Trustees are satisfied that our activities are in furtherance of the objects of the Charity and are for the public benefit.

Achievements and performance

The team consists of 10 workshop leaders, 4 working in London, 1 in the North East, 1 covering Gloucestershire, Worcestershire and Herefordshire, 1 in Oxfordshire, 1 in Essex, 1 in Devon and 1 covering Leicestershire and Northamptonshire. Many of the team hold Art History qualifications, some are teachers and all are skilled communicators.

MAGIC LANTERN

TRUSTEES ANNUAL REPORT (CONT.) FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance cont.

Magic Lantern is the only educational organisation of its kind in the United Kingdom and, we believe, in Europe. Each school workshop is cross-curricular and interactive. The workshops open up and enhance all areas of the National Curriculum including history, science, maths, geography, literacy, RE and art & design. Children of all ages and abilities are encouraged to participate through a range of activities such as role-play, freeze-frames, soundscapes and dialogue. Crucial skills are developed including speaking and listening, critical thinking, communication, visual observation and confidence.

Every workshop is evaluated by the teacher whose comment sheet is then returned to Magic Lantern's administrator and director, Matthew Sanders. These evaluation forms continue to show that Magic Lantern's sessions are of enormous educational benefit to children and to their teachers.

This year 371 workshops were delivered, mostly in inner city schools (compared with 351 in 2018-19). This is where the pupils who gain the most are often those with learning problems.

Throughout 2019 Magic Lantern celebrated its 25th anniversary. This culminated with the charity receiving its JM Barrie Members' Award by Action for Children's Arts at a ceremony in London in November. Magic Lantern's patron, James Mayhew, read a citation in the charity's honour before presenting the award to its founder, Diana Schomberg, and administrator/director, Matthew Sanders. The award is for Magic Lantern's "25 years of helping people to observe and explore the world around them and to think creatively and critically through a series of art history workshops."

The charity was featured in an article on the Art UK website, a UK art charity with a similar goal to Magic Lantern of making art accessible: <https://artuk.org/discover/stories/being-matthew-sanders-director-magic-lantern#>. Magic Lantern organised a half-day CPD workshop for primary school teachers in partnership with the Association for Art History at the Courtauld Institute in London in March 2020. Unfortunately this had to be cancelled at the last minute due to the COVID-19 pandemic. The charity hopes to be able to rearrange the workshop in the future. Our new team members in Essex and Oxfordshire began delivering workshops to excellent feedback and a new workshop leader based in Devon joined the team.

In 2020 the team was delighted to welcome the art and cultural historian and TV presenter Dr Janina Ramirez, as one of its patrons. The Charity's three other patrons are renowned children's author and illustrator James Mayhew, distinguished art historian Professor Will Vaughan and Ghostbusters and Groundhog Day actor Bill Murray.

Financial review

The Charity achieved a net deficit for the year of £21,375, which is in line with the expectations of the Trustees.

Magic Lantern receives no public funding and relies entirely on donations and schools' fees. The Trustees are very grateful for the donations received during the year of £20,744.

School fees amounted to £6,044, an average of £16 per workshop. The average school fee in the year was £63 based on 371 workshops delivered in the year. Schools booking 6 workshops continue to be charged for 5. In some boroughs and for some programmes it is possible for the Charity to offer free workshops. Furthermore, a considerable amount of teaching is directed towards areas where most of the children come from low-income families. Almost half of all the workshops were given free of charge. This is all made possible by the generous donations we receive from our supporters.

The workshop leaders' fees cover contacting schools, tailoring a programme to the class teacher's specific requirements, travel and setting up (often a lengthy and difficult process) and reporting back to the Administrator. Workshop leaders are paid by the Administrator on receipt of evaluation sheets.

In previous years, administration services were provided voluntarily. From 1st April 2010 Matthew Sanders' part-time professional fees have been paid by the Charity.

During the year there was a transfer from unrestricted to restricted funds of £18,000 which represents grants received from Mulberry dated from 2015 to 2019. The grants were miscategorised to unrestricted reserves due to a misinterpretation of the grant letters received. The funds are in fact specifically for workshops and not general expenses of the charity.

MAGIC LANTERN

TRUSTEES ANNUAL REPORT (CONT.) FOR THE YEAR ENDED 31 MARCH 2020

Plans for future periods

The COVID-19 pandemic has affected the charity's work as it has with so many organisations. Our workshop leaders were not able to visit schools in person during the lockdown period which was effectively the second half of the spring term and the entire summer term. However, we quickly adapted to the situation in two ways: we began offering our workshops virtually, principally via Zoom and Teams. Schools are only just beginning to adapt their learning to allow for virtual workshops so we expect them to be better prepared for this if there is another lockdown period in the future. Additional safeguarding guidelines for online workshops were incorporated into the charity's Safeguarding Policy Statement. One of our workshop leaders pre-recorded workshops to overcome the technical difficulties many schools had in terms of holding live sessions.

As many schools did not have the ability to run virtual sessions, did not have many children in school or were not able to run workshops with children at home, the charity decided to create home learning resources: <https://magiclanternart.org.uk/what-we-do/downloadable-resources/>. There are now 27 sets of notes and images on a wide range of artworks, pitched at different primary school year groups. They are designed for teachers to use with children who are in the classroom or parents to use with their children at home. They are intended to replicate Magic Lantern workshops in the sense that they encourage the children to come up with their own answers and ideas. The resources also provide suggestions for practical art, literacy and drama follow on projects. The feedback from parents and teachers has been extremely positive, and they were praised on social media by several organisations and individuals including The Arts Society, Action for Children's Arts, Art UK, NSEAD (The National Society for Education in Art & Design), A New Direction and art historian and broadcaster Bendor Grosvenor.

In the event of a future lockdown the charity is confident that it can still carry out its work virtually and by creating new home learning resources.

Reserves policy

The charity's reserve policy is to maintain sufficient reserves to enable operating activities to be maintained, taking account of potential risks that may arise from time to time. This policy is reviewed annually by the Trustees.

Independent Examiner

Fisher Phillips LLP was re-appointed as Independent Examiner during the year. The Trustees are very grateful to Fisher Phillips LLP for carrying out the examination without charge.

On behalf of the Trustees on 6th October 2020.

L Varley
Trustee

J Wood
Trustee

MAGIC LANTERN

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAGIC LANTERN

I report on the accounts of the charity for the year ended 31 March 2020 which are set out on pages 4 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Caroline Harvey FCCA CTA

6th October 2020

Fisher Phillips LLP Chartered Accountants

Summit House
170 Finchley Road
London NW3 6BP

MAGIC LANTERN

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

	Notes	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Income:					
Voluntary income:					
Donations and grants	3	20,739	35	20,774	33,180
Incoming resources from charitable activities:					
Fees for sessions		5,040	964	6,004	8,559
Investment income:					
Bank interest		-	1,369	1,369	1,518
Total income		25,779	2,368	28,147	43,257
Expenditure:					
Charitable activities		(31,750)	(17,772)	(49,522)	(39,019)
Governance costs		-	-	-	-
Total expenditure	4	(31,750)	(17,772)	(49,522)	(39,019)
Net income/(expenditure) for the year		(5,971)	(15,404)	(21,375)	4,238
Other gains / (losses)		-	-	-	-
Net movement in funds		(5,971)	(15,404)	(21,375)	4,238
Reconciliation of funds:					
Funds brought forward at 1 April 2019		42,240	68,014	110,254	106,016
Transfer of funds		18,000	(18,000)	-	-
Funds carried forward at 31 March 2020	8	54,269	34,610	88,879	110,254

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

All incoming resources and resources expended derive from continuing activities.

MAGIC LANTERN

BALANCE SHEET AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets			-		-
CURRENT ASSETS					
Debtors	6	-		-	
Cash at bank and in hand		88,879		110,254	
		<u>88,879</u>		<u>110,254</u>	
CREDITORS: Amounts falling due within one year					
	7	-		-	
NET CURRENT ASSETS			<u>88,879</u>		<u>110,254</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>88,879</u>		<u>110,254</u>
CAPITAL AND RESERVES					
Restricted funds	8	54,269		42,240	
Unrestricted funds	8	34,610		68,014	
	8	<u>88,879</u>		<u>110,254</u>	

The financial statements were approved by the Trustees on 6th October 2020.

L Varley
Trustee

J Wood
Trustee

MAGIC LANTERN

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

1. ACCOUNTING POLICIES

1.1 Accounting convention

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 - effective 1 January 2015) - (Charities SORP FRS 102).

The charity 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 or note.

1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.3 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Income mainly comprise donations received and school fees paid in the year.

1.4 Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.6 Expenditure and irrecoverable VAT

Resources expended are included in the statement of financial activities on a paid basis, inclusive of VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain of the shared costs have been apportioned on the basis of an estimate of time spent by and by an estimate of other resources utilised.

1.7 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity

1.8 Debtors

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

1.9 Cash at bank and in hand

Cash at bank and cash 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.

MAGIC LANTERN

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

ACCOUNTING POLICIES (CONTINUED)

1.10 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.

1.11 Financial instruments

The charity 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.

2. DETAILED COMPARATIVES OF THE STATEMENT OF FINANCIAL ACTIVITIES

	2019 Restricted £	2019 Unrestricted £	2019 Total £
Income:			
Voluntary income:			
Donations and grants	15,490	17,690	33,180
Incoming resources from charitable activities:			
Fees for sessions	120	8,439	8,559
Investment income:			
Bank interest	-	1,518	1,518
Total income	<u>15,610</u>	<u>27,647</u>	<u>43,257</u>
Expenditure:			
Charitable activities	(19,424)	(19,595)	(39,019)
Governance costs	-	-	-
Total expenditure	<u>(19,424)</u>	<u>(19,595)</u>	<u>(39,019)</u>
Net income/(expenditure) for the year	<u>(3,814)</u>	<u>8,052</u>	<u>4,238</u>
Other gains / (losses)	-	-	-
Net movement in funds	<u>(3,814)</u>	<u>8,052</u>	<u>4,238</u>
Reconciliation of funds:			
Funds brought forward at 1 April 2018	46,054	59,962	106,016
Transfer of funds	-	-	-
Funds carried forward at 31 March 2019	<u>42,240</u>	<u>68,014</u>	<u>110,254</u>

MAGIC LANTERN

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

3. DONATIONS AND GRANTS

During the year the charity received donations from the following organisations:

	2020		2019	
	Restricted	Unrestricted	Total	Total
	£	£	£	£
Mulberry Trust	-	-	-	8,000
The Arts Society	2,589	-	2,589	2,230
Diana and Ray Schomberg	5,400	-	5,400	4,500
Sir William Boreman Foundation	-	-	-	1,700
James Knott	-	-	-	1,000
Beazley	-	-	-	12,370
Newcomen Collett	-	-	-	1,200
Didymus Foundation	3,000	-	3,000	-
Garfield Weston	5,000	-	5,000	-
Various donations < £500	4,750	35	4,785	2,175
Gift Aid tax received	-	-	-	5
	<u>20,739</u>	<u>35</u>	<u>20,774</u>	<u>33,180</u>

4. RESOURCES EXPENDED

	Charitable activities	Charitable activities	Governance Costs	2020 Total	2019 Total
	Restricted Funds	Unrestricted Funds	Restricted Funds		
	£	£	£	£	£
Presenter fees	23,130	730	-	23,860	21,680
Materials	-	-	-	-	335
Travel and subsistence	-	762	-	762	611
Administrator's fee	8,620	14,400	-	23,020	15,435
Printing, postage and stationery	-	228	-	228	106
Telephone	-	56	-	56	31
Computer and website costs	-	898	-	898	235
Insurance	-	286	-	286	286
Other general costs	-	412	-	412	300
	<u>31,750</u>	<u>17,772</u>	<u>-</u>	<u>49,522</u>	<u>39,019</u>

5. TRUSTEES' REMUNERATION

No remuneration was paid to the Trustees in either year nor did they receive any expenses.

6. DEBTORS

	2020	2019
	£	£
Other debtors	-	-
	<u>-</u>	<u>-</u>

MAGIC LANTERN

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

7. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Other creditors	-	-
	<u>-</u>	<u>-</u>

8. FUNDS

	At 1 April 2019	Incoming resources	Resources expended	Transfer between funds	At 31 March 2020
	£	£	£	£	£
Restricted reserves:					
a. Creative Schools	-	600	(600)	-	-
b. Mrs Cicely Pickering	10,043	-	(1,800)	-	8,243
c. Mrs Cicely Pickering	12,105	-	-	-	12,105
d. Gillian Dickinson Trust	130	-	-	-	130
e. Gillian Dickinson Trust	1	-	-	-	1
f. Sir James Knott Trust	30	-	-	-	30
g. J.P. Morgan	1,980	-	-	-	1,980
h. St Olave's & St Saviour's Schools Foundation	180	-	-	-	180
i. Mulberry Trust - Admin fees	720	-	(720)	-	-
j. Mulberry Trust - Fundraising	2,500	-	(2,500)	-	-
k. The Arts Society	8,515	1,900	(420)	-	9,995
l. John Davie Fund	129	-	(120)	-	9
m. The Arts Society Tyneside	753	-	-	-	753
n. University of Winchester	37	-	-	-	37
o. Durham Shopping Extravaganza	210	500	-	-	710
p. Diana and Ray Schomberg	3,207	-	(480)	-	2,727
q. Didymus Foundation	-	3,000	(2,330)	-	670
r. Garfield Weston	-	5,840	(5,260)	-	580
s. Sir William Boreman Foundation	1,700	-	(140)	-	1,560
t. Lyn Foundation	-	500	-	-	500
u. Mulberry Trust - workshops	-	4,020	(9,340)	18,000	12,680
v. The Arts Society	-	2,019	(1,640)	-	379
w. Tula Trust	-	1,000	-	-	1,000
x. Diana Schomberg	-	5,400	(5,400)	-	-
	<u>42,240</u>	<u>24,779</u>	<u>(30,750)</u>	<u>18,000</u>	<u>54,269</u>
Unrestricted reserves	68,014	2,368	(17,772)	(18,000)	34,610
	<u><u>110,254</u></u>	<u><u>27,147</u></u>	<u><u>(48,522)</u></u>	<u><u>-</u></u>	<u><u>88,879</u></u>

The unrestricted reserves represent the available funds of the charity which are not designated for particular purposes.

MAGIC LANTERN

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

All restricted reserves are represented by cash at bank within the balance sheet. Purposes of the restricted funds are as follows:-

- a. **Creative Schools**
To contribute towards free workshops in East London.
- b. **Mrs Cicely Pickering**
To contribute towards the costs of workshops run in Hackney.
- c. **Mrs Cicely Pickering**
To contribute towards the costs of workshops run in Lambeth and Wandsworth.
- d. **Gillian Dickinson Trust**
To contribute towards the costs of workshops run in the North East.
- e. **Gillian Dickinson Trust**
To contribute towards a pilot project involving a lesson in school, followed by a visit to The Laing Art Gallery in Newcastle to see the pictures discussed and then return to the school for further discussion.
- f. **Sir James Knott Trust**
To support Magic Lantern's Asylum Seeker Art Project, Westgate Baptist Church, Newcastle-upon-Tyne
- g. **J.P. Morgan**
To contribute towards the costs of workshops run by the charity.
- h. **St Olave's & St Saviour's Schools Foundation**
To contribute towards twenty 1 hour workshop sessions in Art, Design, History to Southwark Primary Schools.
- i. **Mulberry Trust - Admin fees**
To contribute towards the Administrators annual costs.
- j. **Mulberry Trust - Fundraising**
To contribute towards the fundraising costs.
- k. **The Arts Society**
To contribute to Magic Lantern's administrative costs.
- l. **John Davie Fund**
To provide 7 free sessions in schools in Devon.
- m. **The Arts Society Tyneside**
To contribute towards free sessions in the North East.
- n. **University of Winchester**
To contribute towards free sessions in Hampshire.
- o. **Durham Shopping Extravaganza**
To contribute towards free sessions in the North East.
- p. **Diana and Ray Schomberg**
To contribute towards sessions in hospitals and to disadvantaged adult groups, for example in prisons.
- q. **Didymus Foundation**
To contribute towards free workshops in LEAs that do not have specific funding.
- r. **Garfield Weston**
To contribute towards free workshops in LEAs that do not have specific funding.
- s. **Sir William Boreman Foundation**
To support Magic Lantern workshops in the London Boroughs of Greenwich and Lewisham
- t. **Lyn Foundation**
To contribute towards free workshops in LEAs that do not have specific funding.
- u. **Mulberry Trust - workshops**
To contribute towards free workshops in LEAs that do not have specific funding.
A transfer has been made from unrestricted reserves of £18,000 which represents the funds received between the years 2015 to 2019. These funds were originally put in unrestricted due to the misinterpretation of the grant letters received at the time but have now been understood. These funds are specifically for workshops and not administrative expenses.
- v. **The Arts Society**
To contribute towards free workshops in schools in individual Arts Society branches' local areas.
- w. **Tula Trust**
To contribute towards free workshops in LEAs that do not have specific funding.
- x. **Diana Schomberg**
To contribute towards the Administrators annual costs

MAGIC LANTERN

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

9. CONTROL

The charity is controlled by its Trustees.

10. RELATED PARTY TRANSACTIONS

The charity has no related party transactions to disclose