

The Magic Circle Benevolent Fund

Annual Report and Financial Statements
For the year ended 31 March 2016



The Magic Circle Benevolent Fund

Trustee's Report

For the year ended 31 March 2016

I am pleased to report that the Charity's results for the year ended 31 March 2016 are again positive. During the year we received a significant bequest from a deceased member and also increased the level of support we provided to members in need. Sadly our investments fell in value and this non-cash movement has to be reflected in the accounts, even though it doesn't involve any cash outlay.

Since the year end the trustees and management committee have agreed to update the policies adopted in the past to ensure that the Fund satisfies its objectives on an ongoing basis. Council of The Magic Circle have agreed the proposed rule changes which will be presented to members at the AGM in 2017. In the mean time, we are aiming to increase awareness of the Fund and suitable applications from members are encouraged as explained in The Magic Circular and on the members' area of The Magic Circle website.

Structure, governance and management

The Magic Circle Benevolent Fund is a charity (No. 222408) registered in England and Wales and is governed by its rules and constitution. Its registered office is at 12 Stephenson Way, London, NW1 2HD.

The trustees and management of the charity during the year and as at the date of approval are as follows:

Prof. D. Hatch. - Chairman/Secretary

Mr. J. Freedman - Trustee

Mr. S. Penrose - Trustee

Mr. M. Lee - Trustee

Mr. S. Price - Committee

Mrs. D. O'Brien - Committee

Mr. M. Gurr - Committee

Mr. M. Berglas - Committee

There is currently no written policy or procedure for the induction and training of new trustees.

The trustees regularly monitor the opportunities available to the charity and the risks to which it is exposed.

Objectives and activities of the public benefit

The main objective of the charity is to assist present or past distressed members of The Magic Circle, their wives, children and/or dependents.

These aims are principally advanced through the payment of members' annual subscriptions to The Magic Circle and issuing grants where considered appropriate.

The trustees acknowledge their duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit. The trustees have considered their guidance when reviewing the aims of the charity and when determining subscriptions and grants being made.

Achievements, performance and financial review

The income from investments for the year totalled £3,030 (2015: £2,686). Grants and gifts paid out amounted to £1,527 (2015: £360) and subscriptions to The Magic Circle paid on behalf of members amounted to £2,750 (2015: £2,635).

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Trustee's Report

For the year ended 31 March 2016

The investment loss has been reserved since the year end. At 31 August 2016 the investments were worth £11,125 more than was the case at 31 March 2016.

The fund continues to be supported in the main from income from investments and requests for support are encouraged. Those eligible are present or past members of The Magic Circle, their spouses, domestic partners, children and/or their dependants. All applications are treated in the strictest confidence. Requests for assistance must be made in writing to the Honorary Secretary of the Benevolent fund. This is David Hatch our Welfare Officer.

Reserves policy

All funds of the charity are unrestricted, with the balance at 31 March 2016 being £129,330. This is in line with the reserves policy of maintaining reserves of at least £100,000 to ensure the fund's continuing support.



Mark Lee

Honorary Treasurer - on behalf of the Trustees

23 September 2016

The Magic Circle Benevolent Fund

Statement of Trustees' Responsibilities

For the year ended 31 March 2016

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

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

- select suitable accounting policies and then apply them consistently;
 - observe the methods and principles in the Charities SORP;
 - make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Society Rules. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Magic Circle Benevolent Fund

Independent Examiner's Report to the Trustees

For the year ended 31 March 2016

I report on the accounts of The Magic Circle Benevolent Fund for the year ended 31 March 2016, which comprise the Statement of Financial Activities, Balance Sheet and related notes.

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

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 explanation 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 accordance 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 to comply with the accounting requirements of the 2011 Act

have 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.



Jonathan Seymour
For and on behalf of Kingston Smith LLP
Chartered Accountants

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 23 January 2017

The Magic Circle Benevolent Fund

Statement of Financial Activities

For the year ended 31 March 2016

	Unrestricted Funds 2016 £	Unrestricted Funds 2015 £
Income from:		
Investments	3,030	2,686
Donations and legacies	30,000	1,042
Interest receivable	4	4
Total	33,034	3,732
Expenditure on charitable activities:		
Members subscriptions paid	2,750	2,635
Condolences	381	245
Donations	720	-
Grants and donations to individuals	807	360
Telephone	22	-
Printing postage and stationery	21	-
Interest payable	2	2
Total	4,703	3,242
Net income before (losses)/gains on investments	28,331	490
Net (losses)/gains on investments	(6,669)	4,063
Net income and net movement in funds for the year	21,662	4,553
Funds at 1 April 2015	107,668	103,115
Funds at 31 March 2016	129,330	107,668

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

All income and expenditure derive from continuing activities.

The Magic Circle Benevolent Fund

Balance Sheet

As at 31 March 2016

	Note	2016 £	2015 £
Fixed Assets			
Listed investments	2	91,170	97,839
Current Assets			
Cash at bank and in hand		55,237	22,256
		146,407	120,095
Current Liabilities			
Creditors	3	(17,077)	(12,427)
Total Assets less Current Liabilities		129,330	107,668
Accumulated unrestricted fund			
At 1 April 2015		107,668	103,115
Net movement in funds		21,662	4,553
At 31 March 2016		129,330	107,668

These accounts were approved by the trustees on 23 September 2016 and signed on their behalf by:



Mark Lee
Honorary Treasurer - on behalf of the Trustees

The Magic Circle Benevolent Fund

Notes to the Financial Statements

For the year ended 31 March 2016

1 Principal Accounting Policies

1.1 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

This is the first set of financial statements prepared under FRS 102. The date of transition to FRS 102 is 1 April 2014. In preparing the financial statements, the restatement of comparative items was not required.

The Magic Circle Benevolent Fund 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 note(s).

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

Going concern

The financial statements have been prepared on the going concern basis as there are no material uncertainties about the charity's ability to continue.

1.2 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the quoted market price. Changes in the market value of investments are shown in the Statement of Financial Activities.

1.3 Income from investments

Investment income is included in the financial statements on an accruals basis when the charity becomes entitled to receive it.

1.4 Income from donations

Donations are included in full in the Statement of Financial Activities when received.

1.5 Remuneration of independent examiner

Independent examination fees are paid by The Magic Circle on behalf of The Magic Circle Benevolent Fund.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.7 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.8 Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

The Magic Circle Benevolent Fund

Notes to the Financial Statements

For the year ended 31 March 2016

2 Investments

	2016 £	2015 £
UK Quoted Investments		
Market value as at 1 April	97,839	93,776
Net unrealised investment (losses)/gains	<u>(6,669)</u>	<u>4,063</u>
Market value as at 31 March	<u>91,170</u>	<u>97,839</u>

3 Creditors

	2016 £	2015 £
The Magic Circle	<u>17,077</u>	<u>12,427</u>

4 Trustees and key management personnel

The charity employed no staff in the year (2015: none). Key management of the charity comprise the chairman, trustees and committee members. None of these individuals received emoluments or expenses in the year (2015: none).

5 Related Parties

During the year, The Magic Circle, a society in which M. Lee and S. Penrose are members of the Council paid expenses and collected donations on behalf of the charitable entity. At the Balance Sheet date the entity owed the net sum of £17,077 (2015: £12,427) to The Magic Circle as shown in note 3.