

The Manx Heritage Foundation
(Registered Charity No. 333)

Members' report and financial statements

For the year ended 31 March 2011

The Manx Heritage Foundation

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The Manx Heritage Foundation

Foundation Information

For the year ended 31 March 2011

Members

Hon Mrs A Craine (MHK) (Chairman)
Mr Q Gill MHK
Miss P Skillicorn
Dr B Stowell
Mr A Pass
Mrs M Jansen
Mr A Bawden (resigned 25 September 2010)
Mr D Wertheim (appointed 14 January 2011)

Administrator

Mr C Guard

Honorary Treasurer and Responsible Financial Officer

Mr S Watterson

Advisor to the members

Mr P Kelly MBE

Registered Charity Number

333

Office

PO Box 1986
Douglas
Isle of Man
IM99 1SR

Auditors

KPMG Audit LLC
Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

Bankers

Isle of Man Bank Limited
2 Athol Street
Douglas
Isle of Man
IM99 1AN

The Manx Heritage Foundation

Members' report

For the year ended 31 March 2011

The Members of the Foundation present their annual report and the audited financial statements for the year ended 31 March 2011

Introduction

This statement provides a summary of the Foundation's financial performance for the year ended 31 March 2011. It has been prepared in accordance with the Isle of Man Statement of Recommended Practice 2007 on accounting for entities subject to the Audit Act 2006 ('the SORP') and subject to the Accounts and Audit Regulations 2007 to 2008 under the Audit Act 2006.

The individual accounts within the Statement are as follows:

The Income and Expenditure Account reports the net cost for the year of all functions for which the Foundation is responsible and how those costs are financed from income. Net expenditure is met from income from grants and miscellaneous income.

The Statement of the Movement on the General Fund Balance shows the surplus or deficit on the Income and Expenditure Account adjusted for the additional amounts which are required by statute and non-statutory proper practices to be charged or credited to the General Fund in determining the movement on the General Fund Balance for the year.

The movement on the General Fund Balance is related to the surplus of £76,645 (2010: £20,226) arising from the income and expenditure account for the year.

The Balance Sheet sets out the financial position of the Foundation at the end of the year.

The Cash Flow Statement summarises the inflows and outflows of cash arising from the Foundation's transactions with third parties during the year.

Results and transfer to reserves

The results and transfers to reserves for the year are set out on pages 9 and 10.

Auditors

The Auditors, KPMG Audit LLC, being eligible, have expressed their willingness to continue in office.

The Manx Heritage Foundation

Members' report (continued)

For the year ended 31 March 2011

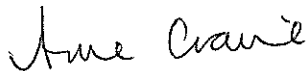
Objects of the Foundation

The objects of the Manx Heritage Foundation ("the Foundation") are defined in statute (Manx Heritage Foundation Act 1982) as follows:

- To promote and assist in the permanent preservation of the cultural heritage of the Island, and in particular to provide facilities for members of the public to enjoy and acquire knowledge of that heritage;
- To establish and maintain at St. John's in the Sheading of Glenfaba a centre for the promotion of, and encouragement of an active interest in, and the study of, the Island's cultural heritage by its people;
- To arrange and provide for or to join in arranging and providing for the holding of exhibitions, meetings, lectures and classes and the printing and publishing of any reports, pamphlets, periodicals, books or other documents in furtherance of these objects;
- To administer the Foundation in accordance with the provisions of the Manx Heritage Foundation Act 1982;
- To do such other acts or things as are incidental to the attainment of the objects of the Foundation, and so far as may be necessary or desirable, to do such acts or things in collaboration with any person, body, institution, Foundation or otherwise; and
- To charge such fees for the Foundation's services as the members of the Foundation may consider reasonable.

The second object of the Foundation is contingent upon specific premises being 'no longer required for a school.' This has not yet arisen and is not likely to arise in the near future.

On behalf of the Foundation



Chairman

The Manx Heritage Foundation

Statement of responsibilities in respect of the Members' report and the financial statements

The Foundation's responsibilities

The Foundation is required to:

- Make arrangement for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In the Foundation, that officer is the Responsible Financial Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the financial statements

The Responsible Financial Officer's responsibilities

The Responsible Financial Officer is responsible for the preparation of the Foundation's Statement of Accounts in accordance with proper practices as set out in the Isle of Man Statement of Recommended Practice 2007 on accounting for entities subject to the Audit Act 2006 ("the SORP").

In preparing the Statement of Accounts, the Responsible Financial Officer is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Comply with the SORP.

The Responsible Financial Officer has also:

- Kept proper accounting records which were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Responsible Financial Officer should sign and date the Statement of Accounts, stating that it presents fairly the financial position of the Foundation at the accounting date and its income and expenditure for the year ended 31 March 2011.

The Manx Heritage Foundation

Statement of Internal Financial Control

For the year ended 31 March 2011

Introduction

Regulation 8, paragraph 3(e) of the Accounts and Audit Regulations 2007 requires the Foundation to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement on internal control within the Foundation's Financial Statements.

This statement is made by the Foundation to the Isle of Man Government Treasury in accordance with the requirements of the Isle of Man Government's Corporate Governance Principles and Code of Conduct ("the code").

Responsibilities of the Members and the Responsible Financial Officer

The Members control strategy, policy and key financial and operational matters within the Foundation. In addition, it is the Members' responsibility to ensure that the work of the Responsible Financial Officer and other senior officers supports the strategy and policy approved by the Members.

The Members are responsible for implementing and maintaining systems of internal control and corporate governance which:

- Ensure compliance with legislation and other regulations;
- Safeguard public money, ensure that it is properly accounted for and that it is used economically, efficiently and effectively; and
- Support the achievement of the strategy, policies, aims and objectives approved by the Members.

In discharging this responsibility the Members work with senior officers to put in place arrangements for the governance of the Foundation's affairs and the stewardship of resources, in accordance with the Code.

Internal control and corporate governance environment

The Foundation's systems of internal control and corporate governance have been developed through an ongoing process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The following are considered to be key aspects of the internal control and corporate governance environment:

- **Foundation's corporate governance framework**

A corporate governance framework has been developed which documents the Foundation's policies and procedures in relation to community focus, performance, internal control, risk management, delegated authority, human resources management, standards of conduct and management of Health & Safety and the environment. The framework provides a structure for documenting the legislation, regulations, policies, procedures and other internal controls which, when taken together, form the Foundation's internal control and corporate governance environment.

The Manx Heritage Foundation

Statement of Internal Financial Control (continued)

For the year ended 31 March 2011

Internal control and corporate governance environment (continued)

- **Members meetings**

The Foundation meets every two months and consists of a Chairman and 6 other Members. The Members receive reports from the Foundation's Officers on operational matters and ensure that the work of the Responsible Financial Officer and other senior officers supports the strategy and policy approved by the Members.

Review of internal control and corporate governance environment

The effectiveness of the Foundation's internal control and corporate governance arrangements is continuously assessed by the work of management and the Members.

Report on internal control and corporate governance environment

Attention is drawn to the fact that systems of internal control and corporate governance are designed to manage rather than eliminate the risk of failure to achieve objectives. They can therefore only provide reasonable and not absolute assurance. Accordingly, reasonable assurance is given that, the Foundation's internal control and corporate governance arrangements are adequate and operate effectively during the period ended 31 March 2011.

Signed Jane Craze
Chairman

Signed [Signature]
RFO

Date 11 November 2011



Report of the Independent Auditors, KPMG Audit LLC, to the members of The Manx Heritage Foundation

We have audited the financial statements of The Manx Heritage Foundation (“the Charity”) for the year ended 31 March 2011 which comprise the Income and Expenditure Account, the General Fund, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Charity’s Members in accordance with section 5 of the Charities Registration Act 1989 and section 6 of the Audit Act 2006. Our audit work has been undertaken so that we might state to the Charity’s Members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Members and Auditors

The Members’ responsibilities for the preparation of the financial statements in accordance with applicable law are set out in the Statement of Members’ Responsibilities on page 4.

We have been appointed as auditors under section 5 of the Charities Registration Act 1989 and report in accordance with regulations made under that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, comply with the provisions of the documents constituting the Charity, and are properly prepared in accordance with the Accounts and Audit Regulations 2007 to 2008 and the Audit Direction 2008, made under the Audit Act 2006. We also report to you if, in our opinion, the Charity has not kept sufficient accounting records, if the Charity’s financial statements are not in agreement with these accounting records or if we have not received all the information and explanations we require for our audit.

We read the Members’ Report and consider the implications for our report if we become aware of any apparent misstatements within it. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information



Report of the Independent Auditors, KPMG Audit LLC, to the members of The Manx Heritage Foundation (continued)

Basis of audit opinion

We conducted our audit in accordance with the Accounts and Audit Regulations 2007 to 2008 made under the Audit Act 2006 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2011 and of its surplus and its source and application of funds for the year then ended
- have been prepared in accordance with the Accounts and Audit Regulations 2007 to 2008 made under the Audit Act 2006; and
- comply with the provisions of the documents constituting the Charity.

KPMG Audit LLC

17 November 2011

KPMG Audit LLC
Chartered Accountants
Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

The Manx Heritage Foundation

Income and Expenditure Account for the year ended 31 March 2011

| | <i>Notes</i> | £ | 2011 £ | £ | 2010 £ |
|---|--------------|---------|-------------|----------|-------------|
| Income | | | | | |
| Tynwald grant | | | 124,600 | | 244,600 |
| Lottery grant | | | 280,580 | | 183,934 |
| Miscellaneous income | 4 | | 75,495 | | 45,971 |
| Net sales revenue | 3 | | 8,724 | | 11,344 |
| | | | <hr/> | | <hr/> |
| | | | 489,399 | | 485,849 |
| Less: expenditure | | | | | |
| Grants made during the year | 5 | 188,707 | | 271,604 | |
| Wages, salaries and honoraria | | 166,610 | | 163,390 | |
| Increase / (decrease) in grants approved but not paid | 6 | 4,362 | | (45,156) | |
| General committee and office expenses | | 16,325 | | 24,294 | |
| Archive costs | | 2,461 | | 16,258 | |
| Depreciation | | 9,508 | | 11,733 | |
| Pensions contributions | | 9,672 | | 9,672 | |
| Occupancy, storage and distribution costs | | 7,078 | | 5,510 | |
| Insurance | | 4,095 | | 4,149 | |
| RBV Trophy | | 1,765 | | 2,752 | |
| Audit and accountancy fees | | 1,028 | | 1,437 | |
| Advertising | | 1,219 | | 136 | |
| | | | <hr/> | | <hr/> |
| | | | (412,830) | | (465,779) |
| Operating profit | | | <hr/> | | <hr/> |
| | | | 76,569 | | 20,070 |
| Other income | | | | | |
| Bank interest receivable | | | 76 | | 156 |
| | | | <hr/> | | <hr/> |
| Surplus for the year | | | <hr/> <hr/> | | <hr/> <hr/> |
| | | | 76,645 | | 20,226 |

In both the current and preceding financial years, there were no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 13 to 19 form part of these financial statements.

The Manx Heritage Foundation

Statement of the movement in the General Fund balance for the year ended 31 March 2011

| | 2011 £ | 2010 £ |
|---|-----------------|-----------------|
| Surplus on the Income and Expenditure account | 76,645 | 20,226 |
| Add back depreciation | 9,508 | 11,733 |
| | <u>86,153</u> | <u>31,959</u> |
| General fund balance brought forward | 268,537 | 236,578 |
| | <u>354,690</u> | <u>268,537</u> |
| | | |
| | 2011 £ | 2010 £ |
| Balance brought forward | (49,940) | (38,207) |
| Surplus for the year | 76,645 | 20,226 |
| Transfer for the year from General Fund | (86,152) | (31,959) |
| | <u>(59,447)</u> | <u>(49,940)</u> |
| General fund balance | <u>354,690</u> | <u>268,537</u> |
| Per balance sheet | <u>295,243</u> | <u>218,597</u> |

The Manx Heritage Foundation

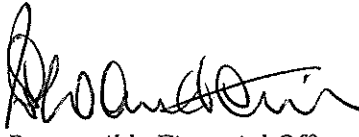
Balance sheet as at 31 March 2011

| | Notes | £ | 2011 £ | £ | 2010 £ |
|---|-------|---------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 7 | | 12,633 | | 22,488 |
| Current assets | | | | | |
| Stock and work in progress | 3 | 14,166 | | 22,801 | |
| Debtors | 9 | 54,289 | | 64,026 | |
| Cash at bank | | 302,005 | | 196,758 | |
| Loans | 8 | 9,479 | | 12,596 | |
| | | | <u>379,939</u> | <u>296,181</u> | |
| Creditors: amounts falling due within one year | | | | | |
| Creditors and accruals | 10 | 97,329 | | 100,072 | |
| | | | <u>97,329</u> | <u>100,072</u> | |
| Net current assets | | | <u>282,610</u> | | <u>196,109</u> |
| Total assets less current liabilities | | | <u>295,243</u> | | <u>218,597</u> |
| Represented by: | | | | | |
| Retained reserves | | | <u>295,243</u> | | <u>218,597</u> |
| Foundation funds | | | <u>295,243</u> | | <u>218,597</u> |

The notes on pages 13 to 19 form part of the financial statements.

These financial statements were approved by the members on 11 Nov 2011 and were signed on their behalf by:


Chairman


Responsible Financial Officer

The Manx Heritage Foundation

Cash flow statement

for the year ended 31 March 2011

| | 2011 £ | 2010 £ |
|---|----------------|----------------|
| Cash flow from operating activities | | |
| Surplus for the year | 76,645 | 20,226 |
| Interest received | (76) | (156) |
| Depreciation | 9,508 | 11,733 |
| Decrease in stock | 8,635 | 8,380 |
| Decrease / (Increase) in receivables | 9,737 | (36,263) |
| Decrease in payables | (2,743) | (43,385) |
| | <hr/> | <hr/> |
| Cash generated from operations | 101,706 | (39,465) |
| Investment activities | | |
| Interest received | 76 | 156 |
| Disposals / (additions) of equipment | 347 | (10,474) |
| Loans made / repaid | 3,117 | 9,092 |
| | <hr/> | <hr/> |
| Net increase / (decrease) in cash and cash equivalents during the year | 105,246 | (40,691) |
| Cash and cash equivalents brought forward | 196,759 | 237,449 |
| | <hr/> | <hr/> |
| Cash and cash equivalents carried forward | <u>302,005</u> | <u>196,758</u> |

The Manx Heritage Foundation

Notes

(forming part of the financial statements for the year ended 31 March 2011)

1 Accounting policies

a) Basis of accounting

These financial statements have been prepared under the historical cost convention.

b) Income and expenditure

The accounts of the Foundation are maintained on an accruals basis. Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Fees and charges due from customers are accounted for as income at the date the relevant goods or services are provided.
- Employee costs are charged as expenditure when they are due rather than paid, including any arrears of pay or pay awards.
- When income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge is made to revenue for the income that might not be collected.

c) Grants

Grants approved are accounted for on an accruals basis

d) Publications

Commercial sales of publications are included in the income and expenditure account net of the related production costs (note 3). This element of income is accounted for on an accruals basis.

e) Tangible fixed assets

Tangible fixed assets are stated at cost and are subject to an annual depreciation charge. Fixed assets are depreciated on a straight line basis over the following periods, with a full year's depreciation being charged in the year of purchase and no charge in the year of sale.

- | | |
|------------------------|---------|
| (i) Computer equipment | 3 years |
| (ii) Other assets | 5 years |

The use of these depreciation methodologies means that the Foundation is not required to carry out a detailed impairment review at the end of each reporting period (SORP section 3.107(a)). However an impairment review should be carried out if events or changes in circumstances indicate that the carrying amount of a fixed asset may not be recoverable.

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2011)

1 Accounting policies (continued)

e) Stock

Stock is carried at the lower of cost and net realisable value. The net realisable value of any item of stock is deemed to be nil if still held by the foundation three years after purchase.

2 Taxation

No provision for Manx Income Tax is provided for in these financial statements as the entity is a registered Foundation and not liable to Manx Income Tax.

3 Net sales revenue

| | 2011 | 2010 |
|--------------------------|-----------------|-----------------|
| | £ | £ |
| Turnover | 22,606 | 41,757 |
| Less: | | |
| Opening stock | (22,801) | (31,181) |
| Purchases | (5,247) | (22,033) |
| | <u>(28,048)</u> | <u>(53,214)</u> |
| Closing stock | 21,584 | 34,921 |
| Less: stock written down | (7,418) | (12,120) |
| | <u>14,166</u> | <u>22,801</u> |
| | <u>(13,882)</u> | <u>(30,413)</u> |
| | <u>8,724</u> | <u>11,344</u> |

The above sales are generated from the sale of books, CDs, DVD, and other related products. These trading activities are carried out in accordance with the objects of the foundation.

4 Miscellaneous income

| | 2011 | 2010 |
|---|---------------|---------------|
| | £ | £ |
| Donations from Myles Standish Trust | 4,777 | - |
| Contributions from Marketing Initiatives Fund | 13,826 | 13,215 |
| Services supplied to Department of Education | 55,561 | 31,379 |
| Miscellaneous | 1,331 | 1,377 |
| | <u>75,495</u> | <u>45,971</u> |

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2011)

5 Grants made during the year

| | 2011 | 2010 |
|---|--------|--------|
| | £ | £ |
| Arbory School, Friends of – publishing grant | - | 1,000 |
| Archibald Knox Society – new website | 1,175 | - |
| Arrane son Mannin Award | 250 | 250 |
| Michael Barry – publishing grant | 1,500 | - |
| Centre for Manx Studies – Impact of Internment Camps | - | 10,750 |
| Centre for Manx Studies – WW1 research | 12,573 | - |
| Centre for Manx Studies – Manx carvels research | - | 25,250 |
| Centre for Manx Studies – Keeping the peace in Time of War | - | 5,913 |
| Cooish | 2,200 | 3,500 |
| Crew List Index Project | - | 500 |
| Douglas Buxton Trust – musical work commission | - | 5,000 |
| Douglas Development Partnership – Raad ny Foillan marker | - | 2,000 |
| Education resources material | 8,504 | 700 |
| Farm photos | 2,309 | 3,900 |
| Great Laxey Mine Railway – locomotive | - | 4,000 |
| Groudle Glen Railway – station painting | - | 5,642 |
| Hall Caine Airport flagpole preservation | - | 150 |
| Haydn Wood Concert | 715 | 5,892 |
| Interpretation signage review | - | 2,312 |
| Ruth Keggin – research grant | - | 350 |
| King Chiaullee – travel grant | - | 1,000 |
| Leece Museum – publishing grant for Peel Three | - | 1,575 |
| Laxey Working Mens Institute – interior fittings | 13,050 | - |
| Lily Publications – publishing grants | 2,500 | 6,000 |
| Lorient Festival attendance | 21,743 | 16,276 |

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2011)

5 Grants made during the year (continued)

| | 2011 £ | 2010 £ |
|--|----------------|----------------|
| Manx Aviation Preservation Society | 5,000 | 5,000 |
| Manx Bird Life – wildlife film | - | 6,000 |
| Manx branch of Celtic Congress | - | 2,000 |
| Manx Folk Dance Society | - | 5,000 |
| Manx Language resources | 20,494 | 11,230 |
| Manx Language translation | 23,318 | 63,000 |
| Manx Wildlife Trust – new flora project | 1,575 | - |
| Manx music & cultural workshops | 8,385 | 7,579 |
| Manx music & dance DVD | - | 1,970 |
| Manx Transport Museum | 12,693 | - |
| Memorial plaques | 455 | 268 |
| Milntown Trust | - | 4,502 |
| David Moore – publishing grant | 1,100 | - |
| New History of the Isle of Man DVD | - | 22,689 |
| Liam O’Neill – Archibald Knox lecture tour | 1,000 | - |
| Oral History project | 670 | 2,078 |
| Peel Carnival | 1,000 | 1,000 |
| Pipe organ survey | 1,210 | - |
| Photo records | 705 | 2,579 |
| Pre-publication expenses | 23,473 | 14,582 |
| Property Plaques scheme | - | 1,342 |
| Norman Quilliam – History of Isle of Man Prisons | - | 1,500 |
| Publication royalties | 6,896 | - |
| Sayle Gallery – Forced Journeys exhibition | 1,900 | 6,000 |
| Simon Vaukins – PhD research | 500 | - |
| Skeegal – making of CD grant | - | 650 |
| Shennaghys Jiu | 4,000 | 4,000 |
| St Ninian’s High School – wood sculpture | - | 600 |
| Billy Stowell –publishing grant | 620 | - |
| Michael Starkey – publishing grant | 500 | - |
| Sue Wolley – publishing grant | 2,500 | - |
| Yn Cruinnaght | 4,194 | 6,075 |
| | <u>188,707</u> | <u>271,604</u> |

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2011)

6 Grants approved but not paid

| | 2011 £ | 2010 £ |
|--|---------------|---------------|
| Brought forward grants approved | 82,230 | 127,386 |
| Increase / (decrease) in grants approved | 4,362 | (45,156) |
| | <u>86,592</u> | <u>82,230</u> |

7 Tangible fixed assets

| | Computer Equipment & Software | Musical Equipment | Audio Equipment | Office & General | Video & Photo Equipment | Total |
|------------------------|-------------------------------------|----------------------|--------------------|---------------------|-------------------------------|----------------|
| Cost | | | | | | |
| At 31 March 2010 | 43,383 | 8,554 | 10,329 | 1,704 | 37,383 | 101,353 |
| Additions | - | - | - | - | - | - |
| Disposals | - | - | - | (347) | - | (347) |
| | <u>43,383</u> | <u>8,554</u> | <u>10,329</u> | <u>1,357</u> | <u>37,383</u> | <u>101,006</u> |
| Depreciation | | | | | | |
| At 31 March 2010 | 37,658 | 6,640 | 9,668 | 611 | 24,288 | 78,865 |
| Charge for year | 3,752 | 743 | 662 | 136 | 4,215 | 9,508 |
| | <u>41,410</u> | <u>7,383</u> | <u>10,330</u> | <u>747</u> | <u>28,503</u> | <u>88,373</u> |
| Net book value: | | | | | | |
| At 31 March 2011 | <u>1,973</u> | <u>1,171</u> | <u>(1)</u> | <u>610</u> | <u>8,880</u> | <u>12,633</u> |
| At 31 March 2010 | <u>5,725</u> | <u>1,914</u> | <u>661</u> | <u>1,093</u> | <u>13,095</u> | <u>22,488</u> |

8 Loans

The charity has authority under the Manx Heritage Foundation Act 1982 to make loans out of the Fund "on such terms as the Foundation may consider proper, to such persons and organisation as the Foundation may in its complete discretion consider suitable for the furtherance of the objects of the Foundation".

All loans awarded are unsecured, interest free and repayable in quarterly instalments over three years.

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2011)

9 Debtors

| | 2011 £ | 2010 £ |
|---|---------------|---------------|
| Trade debtors | 8,967 | 16,900 |
| Payment due for services supplied to Department of Education | 30,000 | 31,379 |
| Reimbursement of cost of presence at Lorient Inter-Celtic Festival (Due from Dept of Tourism & Leisure) | 13,826 | 13,215 |
| VAT | 1,496 | 2,532 |
| | <u>54,289</u> | <u>64,026</u> |

10 Creditors and accruals

| | 2011 £ | 2010 £ |
|------------------|---------------|----------------|
| General accruals | 10,737 | 17,842 |
| Grants payable | 86,592 | 82,230 |
| | <u>97,329</u> | <u>100,072</u> |

11 Audit fee

The Foundation incurred the following fees relating to the external audit services:

| | 2011 £ | 2010 £ |
|-------------------------|-----------|--------------|
| External audit services | - | 1,000 |
| | <u>-</u> | <u>1,000</u> |

From 31 March 2011 the audit fees are being paid by Isle of Man Government.

12 Salary

No employees were paid more than £50,000 during the year

13 Members' Attendance Allowances

During the year 2010/11, members' allowances of Nil (2010: nil) were paid to the members in accordance with the provision of the Payments of Members' Expenses Act 1989.

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2011)

14 Cash flow statement

The Foundation does not consider it necessary to complete the disclosures to the Cash Flow Statement, namely the Reconciliation of Net Deficit to the Cash Flow from Revenue Activities, the Reconciliation of the Movement in Net Debt, and the Reconciliation of Financing and Liquid Resources.

This is not considered necessary due to the small size of the Foundation and level of the cash flows.

15 Capital adjustment account

| | 2011 £ | 2010 £ |
|---|-----------------------|-----------------------|
| Balance brought forward | (49,940) | (38,207) |
| Surplus / (deficit) for the year | 76,645 | 20,226 |
| Transfer for the year from General Fund | (86,152) | (31,959) |
| | <u>(59,447)</u> | <u>(49,940)</u> |
| General fund balance | <u>354,691</u> | <u>268,537</u> |
| Per balance sheet | <u><u>295,243</u></u> | <u><u>218,597</u></u> |