

GD 058/10

**The Manx Heritage Foundation
(Registered Charity No. 333)**

Members' report and financial statements

For the year ended 31 March 2010

The Manx Heritage Foundation

<i>Contents</i>	<i>Page</i>
Foundation information	1
Members' report	2 - 3
Statement of responsibilities	4
Statement of Internal Financial Control	5 - 6
Report of the Independent Auditors	7 - 8
Income and Expenditure account	9
General Fund	10
Balance sheet	11
Cash Flow Statement	12
Notes	13 - 19

The Manx Heritage Foundation

Foundation Information

For the year ended 31 March 2010

Members	Hon Mrs A Craine (MHK) (Chairman) Mr Q Gill MHK Miss P Skillicorn Dr B Stowell Mr A Pass (Appointed 13/03/09) Mrs M Jansen Mr A Bawden
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 2010

The Members of the Foundation present their annual report and the audited financial statements for the year ended 31 March 2010

Introduction

This statement provides a summary of the Foundation's financial performance for the year ended 31 March 2010. 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 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 £20,226 (2009: deficit of £47,674) 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, were appointed during the year and, being eligible, have expressed their willingness to continue in office.

The Manx Heritage Foundation

Members' report (continued)

For the year ended 31 March 2010

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 2010.

The Manx Heritage Foundation

Statement of Internal Financial Control

For the year ended 31 March 2010

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 2010

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 2010.

Signed Shirley Crane
Chairman

Signed [Signature]
RFO

Date 24.09.10

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 2010 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.

Bases of audit opinion

We conducted our audit in accordance with the Accounts and Audit Regulations 2007 to 2008 and the Audit Directions 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.

Qualified opinion arising from limitation in scope – stock held at 31 March 2009

The Auditors at 31 March 2009 were unable to obtain all the information and explanations considered necessary for the purpose of their audit of the value of stock held at that date.

The audit report on the financial statements for the year ended 31 March 2009 was qualified with regard to this limitation in scope.

Except for the potential financial effect, solely on the comparative information for the year ended 31 March 2009 and opening balances for the year ended 31 March 2010, of the matter referred to above, in our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2010 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 and the Audit Directions 2008, made under the Audit Act 2006; and
- comply with the provisions of the documents constituting the Charity.

KPMG Audit LLC

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

22 October 2010

The Manx Heritage Foundation

Income and Expenditure Account for the year ended 31 March 2010

	Notes	2010 £	2009 £
Income			
Tynwald grant		244,600	237,500
Lottery grant		183,934	188,288
Miscellaneous income	4	45,971	31,521
Net sales revenue	3	11,344	137
		<u>485,849</u>	<u>457,446</u>
Less: expenditure			
Grants made during the year	5	271,604	236,456
Wages, salaries and honoraria		163,390	164,055
(Decrease) / increase in grants approved but not paid	6	(45,156)	48,004
General committee and office expenses		24,294	17,750
Archive costs		16,258	13,250
Depreciation		11,733	12,665
Pensions contributions		9,672	9,672
Occupancy, storage and distribution costs		5,510	5,912
Insurance		4,149	2,467
RBV Trophy		2,752	1,721
Audit and accountancy fees		1,437	1,164
Advertising		136	60
		<u>(465,779)</u>	<u>(513,176)</u>
Operating profit / (loss)		20,070	(55,730)
Other income			
Bank interest receivable		156	8,056
Surplus / (deficit) for the year		<u>20,226</u>	<u>(47,674)</u>

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 2010

	2010 £	2009 £
Surplus / (deficit) on the Income and Expenditure account	20,226	(47,674)
Add back depreciation	11,733	12,665
	<u>31,959</u>	<u>(35,009)</u>
General fund balance brought forward	236,578	271,587
	<u>268,537</u>	<u>236,578</u>
	2010 £	2009 £
Balance brought forward	(38,207)	(25,542)
Surplus / (deficit) for the year	20,226	(47,674)
Transfer for the year from General Fund	(31,959)	35,009
	<u>(49,940)</u>	<u>(38,207)</u>
General fund balance	268,537	236,578
Per balance sheet	<u>218,597</u>	<u>198,371</u>

The Manx Heritage Foundation

Balance sheet

as at 31 March 2010

	Notes	£	2010 £	£	2009 £
Fixed assets					
Tangible fixed assets	7		22,488		23,747
Current assets					
Stock and work in progress	3	22,801		31,181	
Debtors	9	64,026		27,763	
Cash at bank		196,758		237,449	
Loans	8	12,596		21,689	
		<u>296,181</u>		<u>318,082</u>	
Creditors: amounts falling due within one year					
Creditors and accruals	10	100,072		143,457	
		<u>100,072</u>		<u>143,457</u>	
Net current assets			<u>196,109</u>		<u>174,624</u>
Total assets less current liabilities			<u>218,597</u>		<u>198,371</u>
Represented by:					
Retained reserves			<u>218,597</u>		<u>198,371</u>
Foundation funds			<u>218,597</u>		<u>198,371</u>

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

These financial statements were approved by the members on 24 September 2010 and were signed on their behalf by:

Chairman



Responsible Financial Officer



The Manx Heritage Foundation

Cash flow statement

for the year ended 31 March 2010

	2010 £	2009 £
Cash flow from operating activities		
Surplus / (deficit) for the year	20,226	(47,674)
Interest received	(156)	(8,056)
Depreciation	11,733	12,665
(Increase) / decrease in stock	8,380	(1,080)
(Increase) / decrease in receivables	(36,263)	61,144
Increase / (decrease) in payables	(43,385)	52,115
	<hr/>	<hr/>
Cash generated from operations	(39,465)	69,114
 Investment activities		
Interest received	156	8,056
Addition of equipment	(10,474)	(26,318)
Loans made / repaid	9,092	(1,475)
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents during the year	(40,691)	49,377
 Cash and cash equivalents brought forward	 237,449	 188,072
	<hr/>	<hr/>
Cash and cash equivalents carried forward	196,758	237,449
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The Manx Heritage Foundation

Notes

(forming part of the financial statements for the year ended 31 March 2010)

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 good 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 2010)

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

	2010	2009
£	£	£
Turnover	41,757	14,260
Less:		
Opening stock	(31,181)	(30,101)
Purchases	(22,033)	(15,203)
	<u>(53,214)</u>	<u>(45,304)</u>
Closing stock	34,921	35,839
Less: stock written down	(12,120)	(4,658)
	<u>22,801</u>	<u>31,181</u>
	<u>(30,413)</u>	<u>(14,123)</u>
	<u>11,344</u>	<u>137</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

	2010	2009
	£	£
Donations	-	7,185
Video production services	-	2,700
Contributions from Marketing Initiatives Fund	13,215	19,587
Services supplied to Department of Education	31,379	-
Miscellaneous	1,377	2,049
	<u>45,971</u>	<u>31,521</u>

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2010)

5 Grants made during the year	2010 £	2009 £
Arbory School, Friends of – publishing grant	1,000	-
Archibald Knox Society	-	850
Arrane son Mannin Award	250	250
British Legion in Isle of Man, History – publishing grant	-	752
Castletown Heritage – publishing grant	-	900
Centenary Centre PA equipment	-	6,300
Centre for Manx Studies – Myerscough research	-	9,956
Centre for Manx Studies – Impact of Internment Camps	10,750	-
Centre for Manx Studies – Castle Rushen Papers project	-	10,469
Centre for Manx Studies – Manx carvels research	25,250	9,250
Centre for Manx Studies – Keeping the peace in Time of War	5,913	5,913
Cooish	3,500	3,000
Crew List Index Project	500	-
DAM Productions – CD grant	-	2,000
Douglas Buxton Trust – musical work commission	5,000	-
Douglas Development Partnership – Raad ny Foillan marker	2,000	-
Education resources material	700	3,592
Ellan Vannin Pipes and Drums – uniforms	-	3,500
Falcon Cliff Lift inspection	-	1,225
Farm photos	3,900	3,808
Film summer school	-	500
Great Laxey Mine Railway – locomotive	4,000	6,000
Groudle Glen Railway – station painting	5,642	-
Hall Caine Airport flagpole preservation	150	-
Haydn Wood Concert	5,892	-
Peter Heywood memorial plaque – Highgate Cemetery	-	270
Interpretation signage review	2,312	1,157
Greg Joughin – CD Grant	-	1,500
Katie Lawrence – instrument grant	-	2,000
Ruth Keggin – research grant	350	-
King Chiaullee – travel grant	1,000	-
Leece Museum – publishing grant for Peel Three	1,575	-
Light Music Society	-	5,000
Lily Publications – Churches, Chapels and Keills of the Isle of Man	6,000	-
Lorient Festival attendance	16,276	22,932
A Manx Anthology – publishing grant	-	2,000

The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2010)

5 Grants made during the year (continued)	2010 £	2009 £
Manx Aviation Preservation Society	5,000	-
Manx Bird Life – wildlife film	6,000	-
Manx branch of Celtic Congress	2,000	640
Manx Ceilidh Band – travel grant	-	1,500
Manx Folk Dance Society	5,000	-
Manx Language course preparation	-	6,538
Manx Language resources	11,230	17,923
Manx Language translation	63,000	57,774
Manx Language DVD	-	1,000
Manx music & cultural workshops	7,579	919
Manx music & dance DVD	1,970	3,552
Manx Voices – travel grant	-	1,000
Memorial plaque – SS Ellan Vannin	268	-
Milntown Trust	4,502	-
Graham Naylor – publishing grant for Manx novel	-	1,500
New History of the Isle of Man DVD	22,689	-
Nunnery Chapel organ survey	-	400
Oral History project	2,078	2,393
Peel Carnival	1,000	1,000
Peel Heritage Trust	-	533
Photo records	2,579	-
Pre-publication expenses	14,582	11,485
Property Plaques scheme	1,342	-
Norman Quilliam – History of Isle of Man Prisons	1,500	-
Ramsey Heritage Centre	-	4,688
Sayle Gallery – Forced Journeys exhibition	6,000	-
Simone Rogers – instrument grant	-	500
Skeecal – making of CD grant	650	-
Shennaghys Jiu	4,000	4,000
St John's Mill water wheel	-	7,100
St Ninian's High School – wood sculpture	600	-
Southern Photographic Society – archive project	-	2,000
Michael Starkey – publishing grant	-	1,000
Daniel Travers – research grant	-	527
Yn Cruinnaght	6,075	5,360
	<hr/>	<hr/>
	271,604	236,456
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The Manx Heritage Foundation

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2010)

6 Grants approved but not paid

	2010 £	2009 £
Brought forward grants approved	127,386	79,382
(Decrease) / increase in grants approved	(45,156)	48,004
Carried forward grants approved	<u>82,230</u>	<u>127,386</u>

7 Tangible fixed assets

	Computer Equipment & Software	Musical Equipment	Audio Equipment	Office & General	Video & Photo Equipment	Total
Cost						
At 31 March 2009	37,468	7,608	10,329	339	35,135	90,879
Additions	5,915	946	-	1,365	2,248	10,474
At 31 March 2010	<u>43,383</u>	<u>8,554</u>	<u>10,329</u>	<u>1,704</u>	<u>37,383</u>	<u>101,353</u>
Depreciation						
At 31 March 2009	31,980	5,895	8,845	337	20,075	67,132
Charge for year	5,678	745	823	274	4,213	11,733
At 31 March 2010	<u>37,658</u>	<u>6,640</u>	<u>9,668</u>	<u>611</u>	<u>24,288</u>	<u>78,865</u>
Net book value:						
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>
At 31 March 2009	<u>5,488</u>	<u>1,713</u>	<u>1,484</u>	<u>2</u>	<u>15,060</u>	<u>23,747</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 2010)

9 Debtors

	2010 £	2009 £
Trade debtors	16,900	5,109
Payment due for services supplied to Department of Education	31,379	-
Reimbursement of cost of presence at Lorient Inter-Celtic Festival (Due from Dept of Tourism & Leisure)	13,215	19,587
VAT	2,532	3,067
	<u>64,026</u>	<u>27,763</u>

10 Creditors and accruals

	2010 £	2009 £
General accruals	17,842	16,071
Grants payable	82,230	127,386
	<u>100,072</u>	<u>143,457</u>

11 Audit fee

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

	2010 £	2009 £
External audit services	1,000	500
	<u>1,000</u>	<u>500</u>

12 Salary

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

13 Members' Attendance Allowances

During the year 2008/09, members' allowances of Nil (2009: 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 2010)

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

	2010 £	2009 £
Balance brought forward	(38,207)	(25,542)
Surplus / (deficit) for the year	20,226	(47,674)
Transfer for the year from General Fund	(31,959)	35,009
	<u>(49,940)</u>	<u>(38,207)</u>
General fund balance	268,537	236,578
Per balance sheet	<u>218,597</u>	<u>198,371</u>