

THE MANX HERITAGE FOUNDATION FUND
(Registered Charity No: 333)

Financial Statements

For the year ended 31 March 2007

THE MANX HERITAGE FOUNDATION FUND

Charity Information

For the year ended 31 March 2007

Members	Hon Mrs A Craine (MHK) Mr Q Gill MHK Miss P Skillicorn Dr B Stowell Mr S Harrison MBE Mrs M Jansen Mr A Bawden	(Chairman)
Administrator	Mr C Guard	
Honorary Treasurer	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	Moore Stephens Chartered Accountants 26-28 Athol Street Douglas Isle of Man IM99 1BD	
Bankers	Isle of Man Bank Limited 2 Athol Street Douglas Isle of Man IM99 1AN	

THE MANX HERITAGE FOUNDATION FUND

Charity Information (continued)

For the year ended 31 March 2007

Objects of the Charity

The objects of the charity are defined in statute (Manx Heritage Foundation Act 1982) and are:

- 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, 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 Fund 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, authority 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 charity 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.

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Financial Statements

For the year ended 31 March 2007

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THE MANX HERITAGE FOUNDATION FUND

Statement of members' responsibilities

For the year ended 31 March 2007

The members are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of income over expenditure of the Charity for that year. In preparing those financial statements, the members are required to:

- select suitable accounting policies and the apply them consistently;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue.

The members confirm that they have complied with the above requirements, and all other enactments applicable, in preparing these financial statements.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Registration Act 1989 and the provisions of the documents constituting the charity. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Independent Auditors' Report to the Members of the Manx Heritage Foundation

We have audited the financial statements of the Manx Heritage Foundation for the year ended 31 March 2007 set out on pages 3 to 10. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 5.

This report is made solely to the charity's members as a body, in accordance with the Charities Registration Act 1989. 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 auditors' 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 the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Members and auditors

As described on page 1, you are responsible as members for the preparation of the financial statements in accordance with applicable Isle of Man law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom & Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Registration Act 1989 and the provisions of the documents constituting the charity. We also report to you if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

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

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom & 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 2007 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Registration Act 1989 and the provisions of the documents constituting the charity.

MOORE STEPHENS
Chartered Accountants
Douglas
Isle of Man

[DATE]

THE MANX HERITAGE FOUNDATION FUND

Income and expenditure account

For the year ended 31 March 2007
(Expressed in Pounds Sterling)

	2007	2006
Income		
Tynwald grant	187,500	178,500
Lottery grant	159,051	178,353
Bank interest received	5,979	9,421
Miscellaneous income	1,207	3,608
Net sales revenue (note 3)	(5,329)	7,704
	<hr/>	<hr/>
	348,408	377,586
Less: expenditure		
Grants made during the year (note 4)	173,499	270,467
Wages, salaries and honoraria	139,617	125,856
General committee and office expenses	21,048	20,892
Depreciation	15,106	9,902
Occupancy, storage and distribution costs	7,433	5,869
Archive costs	3,338	8,265
Pensions contributions	2,792	14,529
Impairment loss on work of art	2,170	-
Insurance	2,119	2,079
RBV Trophy	1,735	1,722
Advertising	1,172	2,503
Audit fees	528	1,070
	<hr/>	<hr/>
	(370,557)	(463,154)
Deficit of income over expenditure for the year	<hr/>	<hr/>
	(22,149)	(85,568)
Balance brought forward	285,129	370,697
	<hr/>	<hr/>
Balance carried forward	£262,980	£285,129
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There are no recognised gains and losses in either financial year other than those dealt with in the Income and Expenditure account.

The accompanying notes form an integral part of these financial statements.

THE MANX HERITAGE FOUNDATION FUND

Statement of assets and liabilities

As at 31 March 2007

(Expressed in Pounds Sterling)

	2007	2006
Tangible fixed assets		
Equipment (note 5)	12,578	23,906
Works of art	-	2,170
	<u>12,578</u>	<u>26,076</u>
Current assets		
Stock and work in progress (note 3)	54,953	45,867
Cash at bank	164,530	168,193
Debtors (note 7)	10,033	12,391
Loans (note 6)	20,886	32,602
Net current assets	<u>250,402</u>	<u>259,053</u>
Total assets	<u>£262,980</u>	<u>£285,129</u>
Represented by		
Income and expenditure account	<u>£262,980</u>	<u>£285,129</u>

The accompanying notes form an integral part of these financial statements.

Approved by the members of the Foundation:

_____ Chairman

_____ Honorary Treasurer

_____ Date

THE MANX HERITAGE FOUNDATION FUND

Notes to the Financial Statements

For the year ended 31 March 2007
(Expressed in Pounds Sterling)

1. Accounting policies

These financial statements have been prepared under the historical cost convention, on a consistent basis with prior years.

Significant accounting policies are:

(a) *Income*

Donations, grants and bank interest are accounted for on a receipts basis.

(b) *Expenditure*

Expenditure is accounted for on a payments basis.

(c) *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.

(d) *Depreciation*

Fixed assets are shown at cost and 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.

	2007	2006
(i) Computer equipment	3 years	5 years
(ii) Other assets	5 years	5 years

Following a review of fixed assets during the year ended 31 March 2007, the members now estimate that the computer equipment has a total useful economic life of three years and as such the charge for depreciation has been amended accordingly.

(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 charity and not liable to Manx Income Tax.

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Notes to the Financial Statements

For the year ended 31 March 2007
(Expressed in Pounds Sterling)

3. Net sales revenue

	2007	2006
Turnover	38,889	23,228
<i>Less:</i>		
Opening stock	45,867	56,910
Purchases	53,274	4,481
Delivery expenses	30	-
	<hr/>	<hr/>
	99,171	61,391
	<hr/>	<hr/>
Stock at 31 March 2007	(62,578)	(50,456)
Less: stock written down to nil	7,625	4,589
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Closing stock	(54,953)	(45,867)
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Cost of sales	(44,218)	(15,524)
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	£(5,329)	£7,704
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THE MANX HERITAGE FOUNDATION FUND

Notes to the Financial Statements

For the year ended 31 March 2007

(Expressed in Pounds Sterling)

4. Grants made during the year

	2007	2006
Andreas book	-	2,174
Archaeological guide	-	13,390
Archibald Knox Society	2,000	-
Arrane son Mannin Award	200	100
Artist in Residence (Schools) scheme	-	1,000
Ballaugh Heritage Trust	498	-
Brass Band Arrangements of Manx Songs	-	1,000
Bronze Age Pottery Illustrations	5,600	-
Captain Quilliam sculpture	-	8,750
Centenary Hall – Peel	-	4,000
Coonceil ny Gaelgey meetings	-	550
Cooish	3,200	3,200
Crew List Index Project (CLIP)	650	1,000
Cultural congress attendance	454	-
Early Days of the NHS - CD	-	500
Education resource material	23,932	6,030
Education videos	-	7,570
Farm Photos project	1,717	-
Gale Force CD	-	1,000
"Gallant Manxmen" memorial	7,620	-
Graham Naylor - Te Scuit	-	1,500
Gratiz 3	2,300	-
Illiam Dhone Memorial	-	20,000
Professor Kermodé - Ministerial Government in the Isle of Man	912	1,241
King Chaiullee	1,000	1,000
Laxey Mines Railway	4,000	10,635
Lionel Tertis Viola Competition	1,200	-
Local History Month	256	-
Manx Aviation Preservation Society	1,659	600
Manx branch of Celtic Congress	-	1,000
Manx Folkdance Society	2,000	-
Manx Cultural workshops	2,571	-
Manx Language Bibliography	1,655	-
Manx language and culture courses	4,075	9,055
Manx language maps	-	1,998
Manx language research – via Centre for Manx Studies	4,691	13,875
Manx language Resource	9,985	10,179
Manx language Translation	8,428	4,703
Manx language Website Project	20,000	10,000
Manx Music Manuscripts Project	-	17,591
Manx Music support	210	1,041
Manx placenames survey	-	8,750
Manx satirical poetry project	14,826	14,649
Manx/Scots Gaelic consultation	-	2,500
Manx Transport Museum Group	-	5,000
Manx Worthies book	2,084	5,341
Milintown Research	150	-
"Mostly T E Brown" CD	550	-

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For the year ended 31 March 2007
 (Expressed in Pounds Sterling)

4. Grants made during the year (continued)

	2007	2006
Ned Maddrell lecture	211	195
Nunnery Chapel research	7,161	-
Oral history	892	5,466
Peel Embayment Project	-	5,200
Peel Carnival	1,000	-
Popeth Cymraeg consultation	-	548
Practical Manx Usage project	13,372	33,227
Pre-publication expenses	1,679	-
John Quirk – The Manx Connection book	-	1,000
Doug Sandle – Hop-tu-naa research	331	-
Scanjoon CD	510	-
Shennaghys Jiu	5,000	3,000
Skeel Foddey CD	-	1,000
Sodor and Mann – Records of Convocation	-	3,000
St John's Mill - Waterwheel survey	-	2,950
St Thomas's Church clock	2,000	-
Student bursaries	1,000	4,445
"White Heather" restoration	3,200	-
World War II structures survey	720	11,254
Yn Cheshaght Ghailckagh	-	3,050
Yn Chruinnaght	8,000	5,210
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	£173,499	£270,467
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For the year ended 31 March 2007
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5. Equipment

	Computer Equipment	Musical Equipment	Audio Equipment	Office / General	Video and Photo	Total
Cost						
At April 2006	25,863	5,467	7,020	339	16,312	55,001
Additions	468	-	3,310	-	-	3,778
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2007	26,331	5,467	10,330	339	16,312	58,779
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
At 1 April 2006	14,668	4,902	4,217	316	6,992	31,095
Charge for the year	9,759	564	1,581	22	3,180	15,106
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At 31 March 2007	24,427	5,466	5,798	338	10,172	46,201
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value						
At 31 March 2007	£1,902	£1	£4,532	£2	£6,140	£12,578
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2006	£11,195	£565	£2,803	£23	£9,320	£23,906
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6. 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 organisations 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.

7. Debtors

	2007	2006
Trade debtors	9,800	8,625
Refund due from supplier	-	2,653
VAT	233	1,113
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	£10,033	£12,391
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8. Related Party Transactions

During the year a loan of £3,000 was made to Miss Patricia Skillicorn for the purpose of publishing a book. At the end of the year, Miss Skillicorn joined the Foundation as a member. This is a related party transaction, conducted on an arm's length basis.