

THE MANX HERITAGE FOUNDATION
(Registered Charity No: 333)

Financial Statements

For the year ended 31 March 2009

THE MANX HERITAGE FOUNDATION

Foundation Information

For the year ended 31 March 2009

Members

Hon Mrs A Craine (MHK)	(Chairman)
Mr Q Gill MHK	
Miss P Skillicorn	
Dr B Stowell	
Mr S Harrison MBE	(resigned 1 December 2008)
Mr A Pass	(appointed 13 March 2009)
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 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

Foundation Information (continued)

For the year ended 31 March 2009

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, 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.

THE MANX HERITAGE FOUNDATION

Financial Statements

For the year ended 31 March 2009

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THE MANX HERITAGE FOUNDATION

Explanatory Foreword

For the year ended 31 March 2009

Introduction

This Statement provides a summary of the Foundation's financial performance for the year ended 31 March 2009. 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.

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 **Statement of Total Recognised Gains and Losses** shows all gains and losses recognised by the Foundation during the year which are not reflected in operating performance within the Income and Expenditure Account.

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.

This section provides a summary review of performance during the year and of key areas which impact the Foundation's financial position.

Income and Expenditure Account

The Income and Expenditure Account covers the day to day running costs of the Foundation's services.

Net expenditure is met from the following sources:

- Income from grants and miscellaneous income

Movement on the General Revenue Account

The movement on the General Fund Balance is related to the deficit of £47,674 arising from the Income and Expenditure Account for the year.

Tangible Fixed Assets

There have been tangible fixed assets additions of £26,318 during the year and no disposals.

Investment and Borrowing

The Foundation made no borrowings during the year.

During the year no external investments were made

THE MANX HERITAGE FOUNDATION

Explanatory Foreword

For the year ended 31 March 2009

Reserves

The Foundation has reduced its general reserves from £246,045 at 31 March 2008 to £198,371 at 31 March 2009. These resources are retained to cover planned and potential expenditure and as a buffer against anticipated financial risks.

THE MANX HERITAGE FOUNDATION

Statement of Responsibilities for the Financial Statements

For the year ended 31 March 2009

The Foundation's responsibilities

The Foundation is required to:

- make arrangements 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 2009.

THE MANX HERITAGE FOUNDATION

Statement of Internal Financial Control

For the year ended 31 March 2009

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.
- ***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.

THE MANX HERITAGE FOUNDATION

Statement of Internal Financial Control

For the year ended 31 March 2009

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.

Further evidence as to the effectiveness of internal controls and corporate governance arrangements is provided by reports issued during the year by the external Auditors.

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 2009.

Signed June Cooney
Chairman

Signed [Signature]
RFO

Date 8.1.10

Independent Auditors' Report to the Members of the Manx Heritage Foundation ("the Foundation")

We have audited the financial statements of the Manx Heritage Foundation for the year ended 31 March 2009 set out on pages 1 to 11. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 12 to 16.

This report is made solely to the Foundation's members as a body, in as a body, in accordance with Section 6 of the Audit Act 2006. Our audit work has been undertaken so that we might state to the Foundation'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 Foundation and the Foundation'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

The members' responsibilities for preparing the financial statements in accordance with applicable law are set out in the Statement of Members' Responsibilities.

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 applicable legislation and the provisions of the documents constituting the Foundation. We also report to you if the Foundation 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 foundation'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. However, the evidence available to us was limited because we were unable to identify all stock held at the Doxbond site. There were no other satisfactory audit procedures that we could adopt to confirm that stock held at the year end was properly recorded.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Disagreement on Accounting Policies – Application of relevant legislation – Qualified Opinion

The matters of non-compliance in respect of the Accounts and Audit Regulations 2007 are:

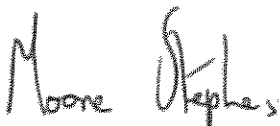
- Section 7 – omission of an Internal Audit

Limitation in scope – Stock held at the year end - Qualified Opinion

In respect alone of the limitation on our work relating to stock held at the year end:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records had been maintained.

In our opinion, except for the effect on the financial statements of the matters referred to in the preceding paragraphs, the financial statements present fairly, in all material aspects, the state of the Foundation's affairs as at 31 March 2009 and for the year then ended.



MOORE STEPHENS
Chartered Accountants
Douglas
Isle of Man

8 January 2010

THE MANX HERITAGE FOUNDATION

Income and Expenditure Account

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

	2009	2008
Income		
Tynwald grant	237,500	212,500
Lottery grant	188,288	165,915
Miscellaneous income (note 3)	31,521	75,833
Net sales revenue (note 3)	137	(17,703)
	<hr/>	<hr/>
Operating income	457,446	436,545
	<hr/>	<hr/>
Expenditure		
Grants made during the year (note 4)	236,456	182,141
Wages, salaries and honoraria	184,055	130,618
Increase in grants approved but not paid (note 4)	48,004	79,382
General committee and office expenses	17,750	22,754
Archive costs	13,250	6,531
Depreciation	12,665	8,266
Pensions contributions	9,672	9,672
Occupancy, storage and distribution costs	5,912	7,174
Insurance	2,487	2,152
RBV Trophy	1,721	1,758
Audit and accountancy fees	1,164	1,128
Advertising	60	2,722
	<hr/>	<hr/>
Operating expenditure	(513,176)	(454,298)
	<hr/>	<hr/>
Net cost of services	(55,730)	(17,753)
	<hr/>	<hr/>
Other Income		
Interest income	8,056	7,674
	<hr/>	<hr/>
Deficit of income over expenditure for the year	£(47,674)	£(10,079)
	<hr/>	<hr/>

The accompanying notes on pages 12 to 17 form an integral part of these financial statements.

THE MANX HERITAGE FOUNDATION

Statement of the Movement on the General Fund Balance

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

	2009	2008
Deficit for the year on the income and expenditure account	(47,674)	(10,079)
Net additional amounts required by statute and non-statutory property practices to be debited or credited to the General Fund Balance for the year		
Add back: depreciation	12,665	8,266
	(35,009)	(1,813)
General Fund Balance brought forward	271,587	273,400
	<u>£236,578</u>	<u>£271,587</u>

The accompanying notes on pages 12 to 17 form an integral part of these financial statements.

THE MANX HERITAGE FOUNDATION

Statement of Total Recognised Gains and Losses

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

	2009	2008
Deficit on the income and expenditure account for the year	(47,674)	(10,079)
Surplus or deficit arising on revaluation of fixed assets	-	-
Any other gains and losses required to be included in the statement of total recognised gains and losses	-	-
	<u>£(47,674)</u>	<u>£(10,079)</u>

The accompanying notes on pages 12 to 17 form an integral part of these financial statements.

THE MANX HERITAGE FOUNDATION

Balance Sheet

As at 31 March 2009
(Expressed in Pounds Sterling)

	2009	2008
Fixed assets		
Tangible fixed assets (note 5)	23,747	10,095
Current assets		
Loans (note 6)	21,689	20,214
Debtors (note 7)	27,763	88,905
Stock and work in progress (note 3)	31,181	30,101
Cash at bank	237,449	188,072
	318,082	327,292
Current liabilities		
Creditors and accruals (note 8)	143,457	91,342
Net current assets	174,624	235,950
Total assets	£198,371	£246,045
Represented by		
General Fund	236,578	271,587
Capital Adjustment Account (note 9)	(38,207)	(25,542)
	£198,371	£246,045

Approved by the members of the Foundation:

Anne Crowe Chairman

Donaldson Honorary Treasurer

8.1.10 Date

The accompanying notes on pages 12 to 17 form an integral part of these financial statements.

THE MANX HERITAGE FOUNDATION

Cash Flow Statement

As at 31 March 2009

(Expressed in Pounds Sterling)

	2009	2008
Cash flows from operating activities		
Loss before taxation	(47,674)	(10,079)
Investment income	(8,056)	(7,674)
Depreciation	12,665	8,266
(Increase) / decrease in stocks	(1,080)	24,852
Decrease / (increase) in receivables	61,144	(78,872)
Increase in payables	52,115	84,487
	<hr/>	<hr/>
Cash generated from operations	69,114	20,980
Investing activities		
Interest received	8,056	7,674
Addition of equipment	(26,318)	(5,784)
Loans granted / (repaid)	(1,475)	672
	<hr/>	<hr/>
Net increase in cash and cash equivalents during the year	49,377	23,542
Cash and cash equivalents at 31 March 2008	188,072	164,530
Cash and cash equivalents at 31 March 2009	<hr/> <u>£237,449</u>	<hr/> <u>£188,072</u>

The accompanying notes on pages 12 to 17 form an integral part of these financial statements.

THE MANX HERITAGE FOUNDATION

Notes to the Financial Statements

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

1. Accounting policies

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

Significant accounting policies are:

(a) *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.

(b) *Grants*

Grants approved are accounted for on an accruals 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) *Tangible fixed assets*

Tangible fixed assets are stated at cost and are subject to an annual depreciation charge.

Depreciation methodology

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.

- | | | |
|------|--------------------|---------|
| (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.

(e) *Value added tax*

VAT is accounted for on an accruals basis. The Foundation operate a policy of including VAT in the income and expenditure account, whether of a capital or revenue nature, only to the extent that it is irrecoverable, in accordance with section 3.126 of the SORP.

(f) *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.

THE MANX HERITAGE FOUNDATION

Notes to the Financial Statements (continued)

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

1. Accounting policies (continued)

(g) Comparatives

Certain of the comparatives have been restated to be consistent with the current year treatment.

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

	2009	2008
Turnover	14,260	28,850
<i>Less:</i>		
Opening stock	(30,101)	(54,953)
Purchases	(15,203)	(21,701)
Discounts given	-	-
	<u>45,304</u>	<u>76,654</u>
Closing stock - cost	35,839	45,918
<i>Less: stock written down</i>	(4,658)	(15,817)
	<u>31,181</u>	<u>30,101</u>
	<u>(14,123)</u>	<u>(46,553)</u>
	<u>£137</u>	<u>£(17,703)</u>

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

Miscellaneous income

	2009	2008
Donations	7,185	-
Video production services	2,700	-
Contributions from Marketing Initiatives Fund towards attendance at Lorient InterCeltic Festival	19,587	-
Services supplied to Department of Education	-	74,000
Miscellaneous	2,049	1,833
	<u>£31,521</u>	<u>£75,833</u>

THE MANX HERITAGE FOUNDATION

Notes to the Financial Statements (continued)

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

4. Grants made during the year

	2009	2008
Aarhus University Press – The Vikings in the Isle of Man	-	5,000
Archaeological sites guide	-	1,574
Archibald Knox Society	850	-
Arrane son Mannin Award	250	225
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	17,747
Centre for Manx Studies – Manx language research	-	3,000
Centre for Manx Studies – Castle Rushen Papers project	10,469	11,775
Centre for Manx Studies – Manx carvels research	9,250	-
Centre for Manx Studies – Manx Policing in The Great War	5,913	-
Colum Cille Festival, Iona, attendance	-	400
Coolish	3,000	3,000
DAM Productions – CD grant	2,000	-
Education resources material	3,592	4,789
Ellan Vannin Pipes and Drums - uniforms	3,500	-
Falcon Cliff Lift inspection	1,225	-
Farm Photos	3,808	3,736
Film summer school	500	-
Finance sector history – research	-	10,154
"Fisher Lass" restoration	-	7,000
Great Laxey Mine Railway - locomotive	6,000	-
Groudle Glen Railway	-	10,000
Peter Heywood memorial plaque – Highgate Cemetery	270	-
Interpretation signage review	1,157	-
"Joe's Bar" research & presentation	-	1,350
Greg Joughin – CD grant	1,500	-
Katie Lawrence – instrument grant	2,000	-
Learnmanx.com website	-	4,605
Light Music Society	5,000	-
Lorient Festival attendance	22,932	2,928
A Manx Anthology – publishing grant	2,000	-
Manx Aviation Preservation Society	-	3,800
Manx branch of Celtic Congress	640	500
Manx Celidh Band – travel grant	1,500	-
Manx Experience – publication grant	-	2,000
Manx Language course preparation	6,538	308
Manx language resources	17,923	15,903
Manx language translation	57,774	36,085
Manx Language DVD	1,000	-
Manx music & cultural workshops	919	2,167
Manx music & dance DVD	3,552	2,348
Manx music & dance support	-	1,734
Manx Voices – travel grant	1,000	-
Milntown support	-	297
Graham Naylor – publishing grant for Manx novel	1,500	-
Nunnery Chapel organ survey	400	-
Oral History project	2,393	2,246
Peel Carnival	1,000	1,000
Peel Heritage Trust	533	-
Perree T costumes	-	500
Pre-publication expenses	11,485	6,133
Property plaques scheme	-	483
Ramsey Heritage Centre	4,688	-
Simone Rogers – instrument grant	500	-

THE MANX HERITAGE FOUNDATION

Notes to the Financial Statements (continued)

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

4. Grants made during the year (continued)

	2009	2008
Shennaghys Jiu	4,000	5,000
St John's Mill water wheel	7,100	-
Southern Photographic Society – archive project	2,000	-
Michael Starkey – publishing grant	1,000	-
Student Bursaries	-	500
Daniel Travers – research grant	527	-
University of California lecture on Manx language	-	750
“White Heather” restoration	-	11,776
WW1 internees research	-	720
WW1 Oral History	-	548
Yn Chruinnaght	5,360	60
	<u>£236,456</u>	<u>£182,141</u>

Grants approved but not paid

	2009	2008
Brought forward grants approved	79,382	-
Increase in current year grants approved	48,004	79,382
	<u>£127,386</u>	<u>£79,382</u>
Accrued in current year		

5. Tangible fixed assets

	Computer Equipment	Musical Equipment	Audio Equipment	Office / General	Video and Photo	Total
Cost						
At 31 March 2008	32,114	5,467	10,329	339	16,312	64,561
Additions	5,354	2,141	-	-	18,823	26,318
Disposals	-	-	-	-	-	-
	<u>£37,468</u>	<u>£7,608</u>	<u>£10,329</u>	<u>£339</u>	<u>£35,135</u>	<u>£90,879</u>
Depreciation						
At 31 March 2008	28,100	5,466	7,321	337	13,242	54,466
Charge for the year	3,880	429	1,524	-	6,833	12,666
	<u>£31,980</u>	<u>£5,895</u>	<u>£8,845</u>	<u>£337</u>	<u>£20,075</u>	<u>£67,132</u>
Net book value						
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>
At 31 March 2008	<u>£4,014</u>	<u>£1</u>	<u>£3,008</u>	<u>£2</u>	<u>£3,070</u>	<u>£10,095</u>

THE MANX HERITAGE FOUNDATION

Notes to the Financial Statements (continued)

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

6. Loans

The Foundation 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

	2009	2008
Trade debtors	5,109	13,231
Payment due for services supplied to Department of Education outstanding at year end	-	74,000
Reimbursement of cost of presence at Lorient Inter-Celtic Festival due from Department of Tourism and Leisure	19,587	-
VAT	3,067	1,674
	<u>£27,763</u>	<u>£88,905</u>

8. Creditors and Accruals

	2009	2008
Accruals	16,071	11,960
Grants payable	127,386	79,382
	<u>£143,457</u>	<u>£91,342</u>

9. Capital Adjustment Account

	2009	2008 (restated)
Balance brought forward as at 1 April	(25,542)	(17,276)
Net deficit for the year	(47,674)	(10,079)
Transfers for the year from General Fund	35,009	1,813
	<u>£(38,207)</u>	<u>£(25,542)</u>

10. Related Party Transactions

During the year 2007 a loan was made to Miss Patricia Skillicorn for the purpose of publishing a book. At the year end the loan was fully repaid (2008: £1,500). Miss Skillicorn is a member of the Foundation.

THE MANX HERITAGE FOUNDATION

Notes to the Financial Statements (continued)

For the year ended 31 March 2009
(Expressed in Pounds Sterling)

11. Audit Fee

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

	2009	2008
External audit services carried out by the appointed auditors	£500	£500

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 (2008: Nil) were paid to the members in accordance with the provisions of the Payments of Members' Expenses Act 1989.

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 the cash flows.

15. Date of authorisation

The financial statements were authorised for issue on the following date and signed by:

8th January 2010
 Anne Craie
