

Manx Heritage Foundation

Trading as:



**Tuarastyl Vleinoil as Coontyssyn 2019-2020
Undinys Eiraght Vannin ta dellal fo'n ennym
Culture Vannin**

Members' report and financial statements

For the year ended 31 March 2020

Registered Charity No. 333

Manx Heritage Foundation *trading as:*
Undinys Eiraght Vannin ta dellal fo'n ennym Culture Vannin

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Foundation Information

For the year ended 31 March 2020

Members

Hon C C Thomas MHK (Chair)
Mrs M Maska MLC (Vice Chair) (formerly Hendy)
Mrs C Kilgallon
Dr C Mackie
Professor A W Little
Mr P Chadwick (resigned 19/05/19)
Mr B Heath (appointed 17/07/19)
Mr C Williamson

Director

Dr B Maddrell

Honorary Treasurer

Mrs D Michelson

Registered Charity Number

333

Office

Fairfield House
Main Road
St John's
Isle of Man
IM4 3NA

Auditors

Grant Thornton Limited
PO Box 307
Exchange House
54/62 Athol Street
Douglas
Isle of Man IM99 2BE

Bankers

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

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Chair's Statement – Tuarastyl y Chaairliagh
For the year ended 31 March 2020

Message from the Chair of Culture Vannin

This is my fourth statement in the annual report and financial statements of Culture Vannin.

Again, achievement is what shines out from the annual report's outline of the development work, projects, grants and other activity. This achievement is built on the strong partnership of Culture Vannin with our wonderful cultural community, the "volunteer cultural aficionados" as I described them last year, those whose knowledge, expertise, and enthusiasm is irreplaceable.

But collaboration now goes way beyond this partnership. For instance, Manx Radio shares our video content on its vision portal, and works together with us for Gaelic broadcasting. Gef the Mongoose has used Culture Vannin content for perhaps a different audience. Lloyds Bank have piloted our cultural awareness programme. Furthermore, Culture Vannin works with the Advisory Teacher for the Manx Curriculum to provide in-service teacher training, as well as resources, and partnering for activity like the Manx Folk Awards, the Manx Language Network (Jeebin) and the Bree (youth music movement) workshop weekends. It has also developed its working relationships with the Visit Isle of Man team at Enterprise, the UNESCO Biosphere and Building Conservation teams at Environment, Food and Agriculture, the Creative Industries workstream within British Irish Council, Manx National Heritage, Isle of Man Post Office, and various parts of the Cabinet Office.

The physical presence of the Cultural Centre in St Johns, and the virtual presentation of the Island's cultural heritage online, both continue to extend their content and reach, as the infographics in this report show. This year one focus was preparation for the 75th anniversary of Victory in Europe (VE) Day. In particular, James Franklin produced edits of Charles Guard's films, working with Jo Callister and with Manx Radio's Alex Brindley, to make many Culture Vannin educational videos as widely available as possible. I believe these were particularly helpful for those home-schooling during the Covid-19 lockdown.

Another wonderful project this year is Mann's Green Footsteps, Sarah Mercer's internship project, which explores how the climate crisis is affecting our culture and what it may mean for themselves, their families and their communities. This included an app, Manannan's Charms, which weaves Manx folklore into a tale of helping our Island flourish and our relationship with the environment grow.

The year ended with the re-purposing of some grant and development money from cancelled events during the Covid-19 lockdown for #treisht2020 projects. The creative and cultural output produced is available online for free – for instance music tutorials and electronic backing tracks to benefit learners of all ages on the Island and around the world.

Free Manx language resources for all ages have been developed and shared on Culture Vannin social media channels, including Manx language colouring-in sheets and #bugganewatch on Facebook. But at the end of the year an announcement of Council of Europe European Charter for Regional or Minority Languages framework recognition and Royal Assent for the Manx language public service broadcasting element of the Communications Bill 2018 were still expected. A concern also arose in respect of the text which will be used in the forthcoming amended Education Act about Manx language use in the curriculum. Submissions have been made in this matter.

I remain amazed every month with everything that is going on when I read the Manx Music and Dance newsletter 'Kiaull Manninagh Jiu' which is edited by Chloe Woolley and which aims to keep our musicians, dancers and audiences on the Island and around the world connected. Particular highlights recently have been Chloe's online video tutorial for singing the first and last verses of the national anthem, a new competition on the theme of May Eve and May Day (Boaldyn) for song-writers, musicians and dancers, and regular newspaper columns. One highlight was the demonstration of the ingenuity and adaptability of our

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Chair's Statement – Tuarastyl y Chaairliagh (continued)

community's musicians was Rushen Silver Band's online concert including Hunt the Wren and Ellan Vannin.

But – and as every year – Culture Vannin is about more than just highlights. Rather it is about year in, year out action and, particularly, focus on collaboration to deliver joint plans like the ten year National Development Strategy for Culture and the Arts, 'Arts, culture and creativity for everyone', and the five year Manx Language Development Strategy, to maximise and extend the reach of Manx culture.

Despite my proper focus on cultural activity and outcomes in this report, it would be remiss not to tackle the financial dimension too, and this year ends with a relatively healthy financial position, with a surplus of £48,654. Like other Board members, I remain content to make the normal assurances in respect of these accounts and the organisation. The operational and buildings specific reserves are now in place and provide a cushion for whatever comes, with a Contingency reserve adequate for six months' operating costs, a Buildings reserve for the urgent building repairs required for the Cultural Centre at St Johns. In addition, we have accumulated a total of £49,743 in a Grants reserve so that we can still distribute awards even in a future tough financial period. These were superb initiatives of the Treasurer, Debi Michelson, and the Director, Breesha Maddrell. This is especially necessary as annual lottery revenue remains unpredictable and money is always short. Covid-19 has also added an additional risk in that the impact on our funding and cultural activity remains unknown to an extent. I am pleased though that it seems a special relationship has developed with Treasury, which should be helpful if lottery receipts are significantly lower because of the current public health and economic situation, or any other unforeseen situation. The Treasury Minister stated the following in his summing up in the 2020 emergency budget in Tynwald:

"I thank the Hon. Member of the Legislative Council, Mrs Maska for her invitation, I believe, to a dance! (Laughter) If she would let me know the time and place I will see if I can accede to that kind invitation. But both her and the Hon. Member sat next to me, Mr Thomas, allude to the problem that the arts and culture are facing at the moment. I understand there is a funding crisis in that area, and clearly this is another challenge that we will need to look at. But I am willing to discuss the problems in greater depth the word 'innovation' is going to have to be a solution to understanding how funding can be restored or partially restored ... Culture Vannin and the groups, and the artistic and heritage sector can find the money and means to be able to get a platform to continue on into the future, in whatever format that may look like."

I should also note that the Manx Heritage Foundation Act 1982 is the founding act and governing document for the Manx Heritage Foundation t/a Culture Vannin. It sets out the establishment of the Foundation, membership, objects, fund and functions, and defines the broad range of cultural heritage.

What will 2021 bring? As I wrote last year, and hope to write next year, much more achievement, and some challenge I should think, especially as our increased visibility and effectiveness in communicating the message of Manx culture means that we are under pressure to deliver even more in order to meet new demand. As before, this is best tackled through cooperation, and leadership.

In closing, continuing thanks to the Director and development officers, Hon Treasurer, board colleagues and Culture Vannin partners in the community for their dedication and commitment; and special thanks to Culture Vannin's Yn Greinneyder Adrian Cain who is continuing his career nearby after many years of glorious service and achievement for Culture Vannin and the Manx language.

And I end with a repeat of some statements in which I believe ever more passionately.

Firstly, Manx culture is valuable for its own sake, and it is also one of the essential ingredients for the Island's social and economic health.

Secondly, it shapes who we are as a nation, and provides the story we tell about ourselves to others, both nationally and internationally.

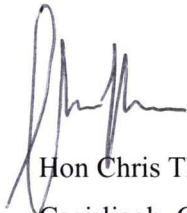
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Chair's Statement – Tuarastyl y Chairliagh (continued)

And thirdly, culture is about the doing of it, the practising of cultural activity. I hope that Culture Vannin can encourage an ever greater focus on this aspect of culture, in our community, in our economy and – very importantly – in our public service.

Mannin aboo! Manx culture for everyone who chooses to live and work in our special island, and for those who appreciate and practise it around the world!

Gura mie eu!

A handwritten signature in black ink, appearing to read 'Chris Thomas'.

Hon Chris Thomas MHK
Caairliagh, Culture Vannin

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Statement of Members' Responsibilities in Respect of the Members' Report and the Financial Statements

For the year ended 31 March 2020

The Members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law.

The Members are required to prepare financial statements for each financial year. They have elected to prepare the financial statements in accordance with UK Accounting Standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, as applicable to an Isle of Man charitable foundation.

The Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the foundation and of the profit or loss of the foundation for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- use the going concern basis of accounting unless they either intend to liquidate the foundation or to cease operations, or have no realistic alternative but to do so; and
- observe the methods and principles in the Charities SORP.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the foundation's transactions and disclose with reasonable accuracy at any time the financial position of the foundation and enable them to ensure that the financial statements comply with the Manx Heritage Foundation Act 1982 and Charities Registration and Regulation Act 2019. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the foundation and to prevent and detect fraud and other irregularities.

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Independent Auditor's Report, to the Members of Manx Heritage Foundation

Opinion

We have audited the financial statements of the Manx Heritage Foundation (the Foundation) for the year ended 31 March 2020 which comprise the Statement of financial activities, Balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the foundation's affairs as at 31 March 2020 and of its net incoming resources and applications of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Isle of Man Charities Registration and Regulation Act 2019 and the Accounts and Audit Regulations 2018 made under the Audit Act 2006 and the Manx Heritage Foundation Act 1982.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

This report is made solely to the foundation's members, as a body, in accordance with the terms of our engagement. 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 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 foundation and the foundation's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the foundation's ability to continue to adopt the going

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Independent Auditor's Report, to the Members of Manx Heritage Foundation
(continued)

concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, as we cannot predict with certainty all future events or conditions and as any subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditors report cannot be viewed as a guarantee as to Culture Vannin's ability to continue as a going concern.

Other information

The members are responsible for the other information. The other information comprises the information included in the Chair's Statement set out on pages 2 – 4, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In accordance with section 6(2) of the Audit Act 2006, we are required to include a statement in our audit report providing particulars where, in relation to the accounts, we:

- are not satisfied as to any of the matters specified in section 4(1) of the Audit Act 2006;
- consider that any matter specified in section 4(2) of the Audit Act is contrary to law; or
- consider that the relevant body has failed in any respect mentioned in section 4(3) of the Audit Act 2006.

We have nothing to report in respect of the matters we are required to report by exception.

Responsibilities of members

As explained more fully in the Statement of Members' Responsibilities set out on page 5, the foundation's members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the foundation or to cease operations, or have no realistic alternative but to do so.

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Independent Auditor's Report, to the Members of Manx Heritage Foundation
(continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee

that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read 'Lyndsay Brew'.

Lyndsay Brew
For and on behalf of Grant Thornton Limited
Chartered Accountants and Auditors
ICAEW

Grant Thornton Limited
Third Floor
54-62 Athol Street
Douglas
Isle of Man

Date: 17 September 2020

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Statement of Financial Activities
for the year ended 31 March 2020

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure is derived from continuing activities.
The notes on pages 14 to 25 form part of these financial statements.

	Notes	2020	2020	2020	2019	2019
		<i>Non-</i>	<i>Designated</i>	<i>Total</i>	<i>Non-</i>	<i>Total</i>
		<i>designated</i>			<i>designated</i>	
		£	£	£	£	£
Incoming resources						
Government grants		100,000	-	100,000	100,000	100,000
Lottery duty		393,920	-	393,920	342,245	342,245
Bona Vacantia Income		14,982	-	14,982	-	-
Total government income		508,902	-	508,902	442,245	442,245
Donations		2,990	-	2,990	2,037	2,037
Total donation income		2,990	-	2,990	2,037	2,037
Net publication (expense)	<i>I.e. 4</i>	1,002	-	1,002	(607)	(607)
Other income	<i>5</i>	1,498	-	1,498	1,475	1,475
Total incoming resources	<i>I/c</i>	514,392	-	514,392	445,150	445,150

(Continued ...)

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Statement of Financial Activities (continued)
for the year ended 31 March 2020

	<i>Notes</i>	2020 <i>Non-</i> <i>designated</i>	2020 <i>Designated</i>	2020 <i>Total</i>	2019 <i>Non-</i> <i>designated</i>	2019 <i>Designated</i>	2019 <i>Total</i>
		£	£	£	£	£	£
Resources expended							
Salaries		247,138	-	247,138	235,237	-	235,237
Pension contributions		19,797	-	19,797	12,744	-	12,744
Total staff costs	<i>14</i>	266,935	-	266,935	247,981	-	247,981
Language development (including translations)		16,451	-	16,451	22,158	-	22,158
Gaelic Broadcasting		3,000	-	3,000	4,000	-	4,000
Music development (including harp teaching)		17,799	-	17,799	12,145	-	12,145
Archive and projects		13,897	-	13,897	17,273	-	17,273
Cultural centre development costs		4,501	-	4,501	5,663	-	5,663
Internal Project Loriet		9,000	-	9,000	10,000	-	10,000
Internal Creative writing commission		3,000	-	3,000	-	-	-
Cultural development costs		67,648	-	67,648	71,239	-	71,239
Grants approved	<i>8</i>	57,898	1,000	58,898	21,135	(2,000)	19,135
Other charitable expenditure	<i>6</i>	34,256	-	34,256	28,984	-	28,984
Bona Vacantia expenditure		6,657	-	6,657	-	-	-
Depreciation		4,221	27,123	31,344	5,116	27,123	32,239
Bad Debt Write Off		-	-	-	(88)	-	(88)
Total costs		103,032	28,123	131,155	55,147	25,123	80,270
Total resources expended	<i>14</i>	437,615	28,123	465,738	374,367	25,123	399,490
Net income generated		76,777	(28,123)	48,654	70,783	(25,123)	45,660

(Continued ...)

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Statement of Financial Activities (continued)
for the year ended 31 March 2020

	<i>Notes</i>	2020	2020	2020	2019	2019
		<i>Non-</i>	<i>Designated</i>	<i>Total</i>	<i>designated</i>	<i>Total</i>
		<i>designated</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Gross transfers between reserves	15	(62,252)	62,252	-	(47,697)	-
Net movement on fund		14,525	34,129	48,654	23,086	45,660
Balance brought forward		89,516	724,443	813,959	66,430	768,299
Balance carried forward		104,041	758,572	862,613	89,516	813,959

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Balance sheet
as at 31 March 2020

	<i>Notes</i>	2020		2019	
		£	£	£	£
Fixed assets					
Tangible fixed assets	<i>1f, 9</i>		486,102		516,308
Current assets					
Stock	<i>1g, 4</i>	4,102		5,675	
Debtors	<i>11</i>	9,608		1,734	
Cash and cash equivalents		413,561		373,441	
Loans	<i>10</i>	-		1,100	
Total current assets			427,271		381,950
Creditors: amounts falling due within one year					
Creditors and accruals	<i>12</i>		(50,760)		(84,299)
Net current assets			376,511		297,651
Net assets			862,613		813,959
Represented by:					
Non-designated funds	<i>15</i>		104,041		89,516
Designated funds Kaneen Legacy		499,513		527,636	
Designated funds Contingency reserve		149,316		141,166	
Designated funds Building reserve		60,000		30,000	
Designated funds Grants reserve	<i>15</i>	49,743		25,641	
Designated funds			758,572		724,443
Designated funds			862,613		813,959

The notes on pages 14 to 25 form part of these financial statements.

These financial statements were approved by the members on *11th September 2020*
and were signed on their behalf by:

Chair



Treasurer



Manx Heritage Foundation *trading as:*
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Statement of Movement on Reserves

As at 31 March 2020:

	<i>Non-Designated</i>	<i>Designated</i>			<i>Total</i>	
		<i>Kaneen Legacy</i>	<i>Building Reserve</i>	<i>Contingency Reserve</i>	<i>Grant Reserve</i>	
	£	£	£	£	£	
Balance brought forward	89,516	527,636	30,000	141,166	25,641	813,959
Income generated in year	76,777	(28,123)	-	-	-	48,654
Transfer between reserves	(62,252)	-	30,000	8,150	24,102	-
Per Balance sheet	<u>104,041</u>	<u>499,513</u>	<u>60,000</u>	<u>149,316</u>	<u>49,743</u>	<u>862,613</u>

As at 31 March 2019:

	<i>Non-Designated</i>	<i>Designated</i>			<i>Total</i>	
		<i>Kaneen Legacy</i>	<i>Building Reserve</i>	<i>Contingency Reserve</i>	<i>Grant Reserve</i>	
	£	£	£	£	£	
Balance brought forward	66,430	552,759	10,000	139,110	-	768,299
Income generated in year	70,783	(25,123)	-	-	-	45,660
Transfer between reserves	(47,697)	-	20,000	2,056	25,641	-
Per Balance sheet	<u>89,516</u>	<u>527,636</u>	<u>30,000</u>	<u>141,166</u>	<u>25,641</u>	<u>813,959</u>

The notes on pages 14 to 25 form part of these financial statements.

Manx Heritage Foundation *trading as:*
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Notes

(forming part of the financial statements for the year ended 31 March 2020)

1 Accounting policies

a) *Basis of preparation*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), *the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Section 1A (as applicable to the Foundation)* and the Charities Registration and Regulation Act 2019.

The Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Registered address is Fairfield House, Main Road, St Johns Isle of Man, IM4 3NA.

The functional currency is GBP.

b) *Fund Structure*

The funds of the Foundation are maintained within The Manx Heritage Foundation Fund, in accordance with the requirements of the Manx Heritage Foundation Act 1982.

The non-designated fund represents an unrestricted income fund, from which Members are free to use for expenditure, loans or grants in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose. Designated funds include:-

i) Kaneen Legacy

A designated fund was established following receipt of a generous legacy from the late Professor Kaneen (see also note 3). The resources were designated for use in developing a Cultural Centre, which supports the intention of Professor Kaneen that this legacy be utilised for the development of the Manx language. The legacy also provides for an annual bursary, eligible to fluent Manx speakers under the age of 30, to study in Ireland in accordance with the wishes of the late Professor Brian Kaneen.

ii) Contingency Reserve.

A Contingency reserve was established, equivalent to six months of budgeted staff and operational expenditure, to allow the Foundation to continue if a significant source of income ends. This would enable the Foundation to continue in operation and generate alternative sources of income, or to wind down the charity in a planned and organised way. The policy will be reviewed annually to ensure it is still appropriate, necessary, and relevant. Each year the reserve requirement will be assessed, and the balance adjusted with a transfer from non-designated funds.

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Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

1 Accounting policies (continued)

b) Fund Structure (continued)

iii) Building Reserve.

The building reserve was created for the purpose of maintaining and repairing the Culture Centre in St Johns. Each year the adequacy of the reserve will be assessed to ensure it is sufficient to cover future maintenance and development costs of the building, and a transfer of funds from non-designated funds will be agreed.

iv) Grant Reserve.

In 2019 a Grant Reserve was established in order to accumulate funds for the purpose of making financial awards. This will enable the grants to be considered and awarded throughout the year without having to wait for the lottery duty income, which is not defined in amount or date of receipt.

c) Incoming resources

Income is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the Foundation is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Foundation that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Foundation, or the Foundation is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance for a specified service is deferred until the criteria for income recognition are met.

Culture Vannin was successful in a bid to Treasury's *bona vacantia* fund and were awarded a joint sum of £130,000, with payments made through and claimed from Isle of Man Arts Council, including the graduate internship salary re-charged to Isle of Man Arts Council.

Manx Heritage Foundation *trading as:*
 Undinys Eiraght Vannin ta dellal fo'n ennym Culture Vannin

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

1 Accounting policies (continued)

d) Resources expended

Liabilities recognised as resources are expended as soon as there is a legal or constructive obligation committing the Foundation to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

In accordance with the Manx Heritage Foundation Act, provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about the timing of the grant or the amount of the grant payable. Any grant not claimed within two years of the date of its award is cancelled.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Members have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Foundation.

e) Publications

Commercial sales of publications are measured at fair value of consideration received and represents invoiced sales and are included in the statement of financial activities account net of the related production costs (note 4).

f) Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and impairment. Fixed assets are depreciated on a straight-line basis over the following periods:

(i) Computer equipment	3 years
(ii) Other assets	5 years
(iii) Property	50 years
(iv) Property refurbishment	10 years
(v) Exhibition Development	10 years

An impairment review will be carried out if events or changes in circumstances indicate that the carrying amount of a fixed asset may not be recoverable.

Manx Heritage Foundation *trading as:*
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Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

1 Accounting policies (continued)

g) Stock

Stock is carried at the lower of cost and net realisable value on a first in first out ('FIFO') basis. The net realisable value of any item of stock is deemed to be nil if still held by the Foundation ten years after purchase.

h) Cash and cash equivalents

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

i) Financial instruments

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

j) Going concern

After reviewing the foundation's cash flows, the members have a reasonable expectation that the foundation has adequate resources to continue in operational existence for the foreseeable future. The foundation therefore continues to adopt the going concern basis in preparing its financial statements.

2 Taxation

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

3 Brian Kaneen Legacy

There were no further receipts during the year and the legacy income is now closed. In accordance with the wishes of the late Professor Brian Kaneen an annual bursary is provided for as Designated funds (see note 8 b).

Manx Heritage Foundation *trading as:*
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Notes (continued)
(forming part of the financial statements for the year ended 31 March 2020)

4 Net publication income

	2020	2019
£	£	£
Turnover	15,531	12,270
Less:		
Opening stock	5,675	5,482
Additions	12,442	12,397
Closing stock	(4,102)	(5,675)
Royalties and delivery	514	673
	<hr/>	<hr/>
Cost of Sales	(14,529)	(12,877)
	<hr/>	<hr/>
Net publication income / (expense)	1,002	(607)
	<hr/> <hr/>	<hr/> <hr/>

The above sales are generated from the sale of books, CDs, DVDs, and other related products. The above cost of sales is inclusive of royalties and delivery expenses. These trading activities are carried out in accordance with the objectives of the Foundation.

5 Other income

	2020	2019
	£	£
Bank interest received	777	392
Conference Travel reimbursement	-	342
Workshop income	568	707
Sundry income	-	34
Digital down-loads (non-stock)	153	-
	<hr/>	<hr/>
	1,498	1,475
	<hr/> <hr/>	<hr/> <hr/>

6 Other charitable expenditure

	2020	2020	2020	2019
	Non-Designated	Designated	Total	Total
	£	£	£	£
General charitable expenditure	14,638	-	14,638	9,085
RBV trophy and award	1,000	-	1,000	530
Premises running and maintenance	8,093	-	8,093	7,900
Insurance costs	2,046	-	2,046	1,989
Committee and office expenses	2,229	-	2,229	1,480
Treasurer Honorarium/expenses	5,500	-	5,500	5,000
Stowell Sculpture	750	-	750	3,000
	<hr/>	<hr/>	<hr/>	<hr/>
	34,256	-	34,256	28,984
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Manx Heritage Foundation *trading as:*
Undinys Eiraght Vannin ta dellal fo'n ennym Culture Vannin

Notes (continued)
(forming part of the financial statements for the year ended 31 March 2020)

7 Grants payable

	2020 Non- Designated £	2020 Designated £	2020 Total £	2019 Total £
Balance brought forward	28,268	1,272	29,540	49,192
Internal projects transferred from/to creditors (note 12)	-	-	-	15,641
Grants approved during the year (note 8)	57,898	1,000	58,898	19,135
Grants paid during the year	(55,803)	(1,000)	(56,803)	(54,428)
Grants repayable	221	-	221	-
Balance carried forward (note 12)	<u>30,584</u>	<u>1,272</u>	<u>31,856</u>	<u>29,540</u>

8 Grants approved during the year

	2020 £	2019 £
8 a) Non-designated grants		
Summary		
New non-designated Grants approved	74,898	43,794
New non-designated events cancelled	(6,721)	-
New non-designated ring-fenced established events cancelled	(7,080)	-
Prior year grants cancelled/expired/not required	(3,199)	(3,542)
Lorient festival 2015 expense provision write back	-	(15,641)
Underwriting re-payment/not required	-	(3,476)
Total Non-designated grants approved	<u>57,898</u>	<u>21,135</u>

On Island cultural event support and development

	2020 £	2019 £
Shennaghys Jiu - Easter festival	4,000	4,000
Yn Chruinnaght Celtic Gathering - July 2020 Celtic festival	2,200	4,900
Manx Litfest - 2020 Autumn festival	884	930
IOM Flower Festival - J. Matthews	247	1,314
Oie Voaldyn Fire Festival Peel Commissioners	2,500	2,500
Great Manx ShinDig - A. Gentry	500	-
Peel Carnival	1,000	-
Archibald Knox Forum – projector and screen	-	1,643

Manx Heritage Foundation *trading as:*
Undinys Eiraght Vannin ta dellal fo'n ennym Culture Vannin

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

	2020	2019
	£	£
8 a) Non-designated grants (continued)		
Off Island cultural promotion		
Pilgrimage IOM - Booklet, leaflet, website & signage	3,000	500
Celtic Congress Musician at international gathering	-	242
Parker & Snell Youth Co, Manx Theatre at Edinburgh Festival	-	1,100
Manxical Mystery Tour large IOM map music gigs	-	650
Yn Cheshaght Ghailckagh website development	-	540
North Atlantic Wool conference (underwriting) - N. Pattinson	-	(500)
Pan Celtic Festival – F. McArdle	-	(42)
Lorient festival 2015 expense provision write back	-	(15,641)
Manx music/musician support		
Arrane son Mannin - prize and venue costs	615	650
D. Kilgallon and T. Callister (see note 16)	1,750	-
Isle of Pride Youth Event – C. Barber	500	-
St German's Cathedral Music & Arts CD project	1,000	-
A. Ayen Harp pick up	333	-
P. Reynolds travel for M. E Moon music event	400	-
J. Callister Hop tu Naa Jurby event	500	-
C. McCartney CD Printing	-	600
NAMA Manx Language/music workshop at convention	779	-
Manx Heritage support		
A.Pettit traditional Mortars Symposium workshops	200	-
Visit Laxey Valley Map, Music Commission for exhibition	2,100	-
Erin Arts Centre Visit of Storyteller	200	-
IOMSRSA Restoration of Good Van G1 (M. Mansfield)	2,500	-
J. Prescott & J. Lees Manx Herbs & folklore workshops	1,500	-
Mooijer Veggey Manx language books & clothing	540	-
Marown School low whistle folk group	135	-
Vikings of Mann School Workshops in National Week	-	900
Arbory Parish Commissioners audio bench at Balladoole	-	750
Rushen Parish Church Organ repair	-	1,000
Manx Youth Bard - Stipend	300	300
VR Headset 360 therapeutic film	-	1,115
Publishing – supporting external publications		
Jinny the Witch & Magic Tunnel bilingual book (Laxey Lonan Heritage Trust)	980	-
Rushen Heritage Trust Living with the Sea book	2,000	-
Ballure Book - K. Kneen & V.Lloyd-West	1,500	-
Poetry Book - S. Maddrell	1,000	-
J. Craine film project LGBT Rights	5,000	-
J.K. Draskau - book on Charlotte de la Tremouille	2,500	-

Manx Heritage Foundation *trading as:*
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Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

	2020	2019
	£	£
8 a) Non-designated grants (continued)		
J. Callow 3 oil paintings 7th Earl of Derby for book	2,736	-
S. Mazumdar Songs of Tagore in Manx & Bengali	2,000	-
Manx Youth Band 50th anniversary commission	1,500	-
J. Davies 'Cool Manx' colouring book	-	(250)
History of 19th Century Circus book	-	2,000
Friend and Foe project - Rushen Heritage Trust	-	2,500
F. Gell Conference & attendance as research for book	-	1,863
J. Lees Poetry and photography book	-	900
Visual Arts		
C. Jenkins - The Other Island Project Logo & Video	1,460	-
Film Manx National Youth Band	1,500	-
Cathedral IOM 40th Anniversary exhibition	422	-
N. Brennan garden - A. Phillips (DHSC)	1,700	-
IOM College - H Fox - Drinking Dragon Film	(1,083)	-
Sophia Goulden Sculpture (maquette)	1,000	1,000
The Lost Wife film Project	-	3,000
Brig Lily film script development	-	500
Ellan Vannin Pipes and Drums - Visiting tutor for workshop	-	627
Manx Bible 200th anniversary exhibition – Cathedral IOM	-	544
Research		
Loan - Centre for Manx Studies Vol 4 A New History of the IOM	6,000	-
Church in the IOM in the Reformation research – T. Grass	-	1,000
Total Non-designated grants approved	57,898	21,135
	2020	2019
	£	£
8 b) Designated Grants – Kaneen Legacy		
Manx language grant		
Kaneen Legacy Manx Language Bursary Scheme	1,000	(2,000)
	1,000	(2,000)

Manx Heritage Foundation *trading as:*
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Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

9 Tangible fixed assets

	<i>Property</i>	<i>Renovations</i>	<i>Exhibition</i>	<i>Musical Instruments</i>	<i>Computers, audio visual equipment and software</i>	<i>Fixtures, fittings and office equipment</i>	<i>Total</i>
	£	£	£	£	£	£	£
Cost							
31 Mar 2019	395,000	155,876	36,356	17,246	25,695	11,514	641,687
Additions	-	-	-	-	-	1,138	1,138
31 Mar 2020	395,000	155,876	36,356	17,246	25,695	12,652	642,825
Depreciation							
31 Mar 2019	23,700	45,184	10,907	16,376	23,389	5,823	125,379
Charge for year	7,900	15,588	3,636	420	1,270	2,530	31,344
31 Mar 2020	31,600	60,772	14,543	16,796	24,659	8,353	156,723
Net book value:							
31 Mar 2020	363,400	95,104	21,813	450	1,036	4,299	486,102
31 Mar 2019	371,300	110,692	25,449	870	2,306	5,691	516,308

Manx Heritage Foundation *trading as:*
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Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

10 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 instalments over three years. A loan was made in 2013, to S. Campbell of £5,000, which is still outstanding, but full provision has been made.

11 Debtors

	2020	2019
	£	£
Loans	5,000	5,000
<i>less</i> provision for doubtful debts	(5,000)	(5,000)
	<hr/>	<hr/>
Trade debtors	2,094	558
Accrued income	2,815	-
Grants repayable & other debtors	817	-
Prepayments	3,882	1,176
	<hr/>	<hr/>
	9,608	1,734
	<hr/> <hr/>	<hr/> <hr/>

12 Creditors and accruals

	2020	2019
	£	£
Grants payable (<i>note 7</i>)	31,856	29,540
Other creditors and accruals	18,904	54,759
	<hr/>	<hr/>
	50,760	84,299
	<hr/> <hr/>	<hr/> <hr/>

13 Audit fee

The Foundation did not incur any fees relating to the external audit services during the period. Since 2011 the audit fees have been paid by the Isle of Man Government, the fee for which is £4,250 but in previous years has not been separately charged by the auditors.

Manx Heritage Foundation *trading as:*
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Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

14 Staff costs

Staff costs cover cultural development work by 3 officers responsible for Manx language, music and dance, and online and educational resources, plus the Director and part-time Finance Management and Administration Officer, incorporating previously outsourced accountancy time-costs. From September 2019, an intern position was fully funded by the Isle of Man Government Bona Vacantia fund. This is a full-time position until September 2020 focussing on a project called "Mann's Green Footsteps".

	2020 £	2019 £
Total staff costs	247,138	235,237
Pension contributions	19,797	12,744
	<hr/> <hr/>	<hr/> <hr/>
Number of full-time staff employed during the year	5	4
Number of part-time staff employed during the year	1	1
	<hr/> <hr/>	<hr/> <hr/>
Total number of staff employed	6	5

Culture Vannin is not part of the Government pension scheme, but instead contributes a maximum 10% of salary towards qualifying employees' personal pensions plans.

15 Transfers to Reserves

Transfers to Reserves are approved by the Board.

Building reserve - There are significant repairs required to the roof and to the rest of the Cultural Centre building which are currently being assessed, and although no estimated costs or commitment to the work is in place, the best estimate of costs is in the region of £60,000. A transfer to the building reserve of £30,000 was made during the year to enable those repairs to be carried out.

Grant reserve - After the year end, as a result of the Coronavirus Covid-19, a number of events for which grants had been awarded were cancelled. As a result, an estimated £24,102 of grants awarded have been subsequently cancelled. This amount was approved by the board as a transfer to the Grants reserve to be utilised in the future. A new scheme entitled "Treisht 2020" was established to make a number of small awards. Due to the emerging Covid-19 public health situation Members and officers worked together with grant recipients to re-purpose development and grant money for cancelled events and projects in order to support cultural and creative freelancers with the opportunity to apply for small paid projects.

Manx Heritage Foundation *trading as:*
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Notes (continued)

(forming part of the financial statements for the year ended 31 March 2020)

16 Members' Attendance Allowances and Related Party Transactions

During the year ended 31 March 2020, members' allowances of £nil (2019: £nil) were paid to the members in accordance with the provision of the Payments of Members' Expenses Act 1989.

During the year the Foundation received a standard grant from Central Government amounting to £100,000 (2019: £100,000), a lottery grant of £393,920 (2019: £342,245), and £14,981 (2019: £nil) from the Bona Vacantia Fund.

During the financial year, underwriting of £1,750 was awarded to D. Kilgallon, the son of Mrs C. Kilgallon (Foundation member) - Additional fund CD & performance with Tomas Callister

During 2019, underwriting of £3,000 for Manannan's Winterfest show was awarded to D. Kilgallon, the son of Mrs C. Kilgallon (Foundation member). This was paid but subsequently repaid to the foundation in full as underwriting was not needed.

Mrs M Maska MLC, (Foundation member) was involved in the organisation of the Isle of Pride event, which was awarded a grant of £500 during the year (2019: £nil).

17 Subsequent events

There were no events subsequent to the year-end that require further disclosure in the financial statements.

18 Covid-19

On 11 March 2020, the World Health Organisation (WHO) officially declared Covid-19, the disease caused by novel coronavirus, a pandemic. The members are closely monitoring the evolution of this pandemic, including how it may affect the foundation, the economy and the general population. The members have not yet determined the financial impact of these events.