

Manx Heritage Foundation

Trading as:



**Tuarastyl Vleinoil as Coontyssyn 2020-2021
Undinys Eiraght Vannin ta dellal fo'n ennym
Culture Vannin**

Members' report and financial statements

For the year ended 31 March 2021

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 2021

Members

Christopher C Thomas MHK (Chair)
Mrs Marlene Maska MLC (Vice Chair)
Mrs Clare Kilgallon
Dr Catriona Mackie
Professor Angela W Little
Mr Benjamin Heath (resigned 09/11/20)
Mr Christopher Williamson
Miss Jade Boylan (appointed 17/11/20)

Director

Dr Breesha Maddrell

Honorary Treasurer

Mrs Debi Michelson LLB FCA

Registered Charity Number

333

Office

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

Auditor

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 2021

I think the greatest strength we have shown as a charity and cultural organisation over the past year is the ability to adapt our ideas and approach to the benefit of our cultural community and the Isle of Man more widely. The past year has proved complicated but productive, as we have had to reassess our priorities and embrace new ways of working in light of the continuing global pandemic.

Our *#treisht2020* scheme demonstrates this ability to pivot. We reported on these innovative small projects initially last year, but all are now complete and online as resources and tutorials for current and future generations to enjoy: www.culturevannin.im/resources/treisht-2020-projects-647532/. The projects showed most clearly the importance of culture, heritage and the arts to people's sense of wellbeing and identity, to a sense of future hope, and they supported the Island's creative community and industries at a time when they needed to pull together.

A highlight within the year was the work of our graduate intern, Sarah Mercer, who brought climate change, Biosphere and Manx culture into dialogue with her family-friendly web-based app, Manannan's Charms. She also created 'Island Utopias', a film where words from interviews about climate change and the reaction to Covid-19 were combined with time-lapse video of artwork and a new musical score which itself drew inspiration from Manx tunes. The result was a beautiful and thoughtful film which premiered in September and which can be found online: <https://vimeo.com/465838450>. It was also nominated for a Torc Award in the Arts category at the 2021 Celtic Media Awards.

Members of the Board always welcome the chance to support Manx culture and cultural heritage through the award of grants and underwriting. The range of applications always astonishes us, and we are happy to support festivals and events, book and research projects, the Manx language community, online engagement, and so much more. We were particularly impressed by the ability of some of the festivals and events to adopt a blended approach, online and physical. Worthy of particular mention are the volunteer committee of Yn Chruinnaght Celtic Gathering, who were able to bring the community together in much-needed live events during the break between lockdowns, whilst delivering a demanding online programme featuring all of the Celtic nations.

We supported important publications such as *Narrow Road to the Deep South*, which uses poetry to reflect on the historical landscape, and Manx folklore comics featuring the stories of Manannan took the Manx message to new audiences. Community events such as Hop tu Naa at Jurby were popular and accessible, and online engagement such as the Manx Mondays videos by a talented fiddler and Manx speaker, had an international reach. We were also delighted to be able to support the Manx language community in a wide range of projects from academic research into Manx sermons from the archives to support for Mooinjer Veggey pre-schools, Pobble's adult immersion weekend, and a Manx pronunciation guide which will make academic research accessible to adult learners and secondary students. We made extra efforts to support our cultural community through the disappointment of cancelled and postponed events and projects, and hope to see them return in future, stronger than ever.

It is because our development officers work in partnership with our cultural community that our work has such a powerful impact. We aim to focus on facilitation, encouragement and support rather than trying to deliver everything ourselves. The Cooish Manx language festival was a great example of this. In a world where we talk about the need for a genuine sense of community and connection, the *Kiaull Manninagh Jiu* Manx music and dance e-newsletter does the remarkable job of creating just that, not only for the Island's musicians and dancers, but also internationally, sharing events, information, resources, and research. Our online engagement as Culture Vannin is exceptional for such a small organisation, with huge reach, and so much of this is down to the passion and drive of our Online and Educational Resources Officer.

As the financial year drew to a close, officers began work on the mid-points of two strategies: the National Development Strategy for Culture and the Arts and the Manx Language Strategy, both of which require updates to their action plans in consultation with the community, as well as working partnerships with

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Chair's Statement – Tuarastyl y Chaairliagh (continued)

other Government funded bodies and Departments. Publishing books on Manx subjects has always been an important part of our work, but we need to acknowledge the effect of the pandemic on the independent bookshops, and the absence of visitors to the Island and to the cultural centre, who would normally have generated direct sales in our shop. We have used the year to reflect on what we hold and what we want to publish in future.

Our cultural centre in St John's was made possible by a generous legacy from the late Professor Kaneen. We have known for some time now that some repair work will be required, and we are also conscious of thinking about a sustainable future for the building. We plan to progress repairs in the coming financial years, securing a building which is used by the community for cultural activities during evenings and at the weekend, as well as for office space.

We have been providing funding for the Gaelic Broadcasting Committee since the 2016-17 financial year but provisions in the new Communications Act will mean new partnerships to manage this in the future. These are exciting times for Gaelic broadcasting, with increased interest in podcasts and online engagement by the public service broadcaster, Manx Radio.

A lot of work went into the success story that was the Isle of Man signing up to Part 3 of the European Charter for Minority or Regional Languages. This is an historic step in protecting the Manx language, an important part of our remit. We look forward to continuing to work with our partners in Jeebin, the Manx Language Network, as well as the wider language community to coordinate, facilitate and support: <https://tinyurl.com/Manxlangcoe>.

The reputation of the Manx Heritage Foundation t/a Culture Vannin as a body that is 'positive to work with' has resulted in greater demand from Government departments, other organisations and the general public, which means that we have had to make decisions about what we can deliver. We can confidently continue to offer advice and facilitation even if we cannot take on as many projects as we would perhaps like, due to limitations of resources, not least, available staff. At the same time, it is heartening to see the gradual mainstreaming of certain elements of Manx culture, which means that we are able to become more targeted in our approach and can also explore newer areas of development within our remit.

In summary, the importance of culture, creativity and community has been amplified by the effects of the global pandemic. Ensuring accessibility online and in real life, and representing the diversity of views within Manx culture and cultural heritage, will be key to our work more than ever.

And in closing, this is my fifth and perhaps final statement in the annual report and financial statements of Culture Vannin given the new House of Keys and new Government which will emerge during and after September's General Election. It has been my privilege and pleasure to serve as chair and I have learned so much from the people in and around this wonderful organisation. Culture Vannin is thriving and again achievement is what shines out from the annual report's outline of the development work, projects, grants and other activity. 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!

Christopher Thomas MHK
Caairliagh, Culture Vannin

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Treasurer's Statement –Tuarastyl y Tashteyder

For the year ended 31 March 2021

The past year has been challenging for everyone and Culture Vannin was no exception. Whilst income received from government is fixed to the extent of the annual grant, the value of the share of lottery duty income is less certain and difficult to forecast. We were indeed fortunate that it seems lottery income has not decreased, even through these challenging times, and our share of the duty arising from that was almost £392,000. Considering expenses, most of our overheads are fixed but one of the most important items of expenditure is the grants given to individuals, organisations, other charities, and groups of people who rely on this funding for their creative cultural projects. The pandemic has necessitated the cancellation of a large proportion of those events or projects, so the actual distributions of grants has fallen this year to £35,381 compared with almost £59,000 last year.

Not only is lottery duty income difficult to predict, but it is also usually received monthly from June onwards in the financial year, in varying amounts. In the past this has meant that limited funds were available for distribution to grant applicants in the first quarter, and it was impossible to predict future income over the rest of the year. To address this, a Grants Reserve was created by the board in 2019, which has enabled worthy grants to be awarded at any time of the year. The amounts which were unable to be distributed in this current year due to cancelled events have been added to this reserve and thereby designated as being only available for expenditure on grants in future.

The creation of reserves has been an important focus of the board over the past few years, providing stability for the organisation. In addition to the Grants Reserve there is a Contingency Reserve which will ultimately hold up to 12 months' operating expenses as a resource to keep the charity operating should income significantly reduce, or the charity face exceptional costs. With the uncertain global situation, it is a prudent approach; it provides time for the charity to continue whilst the board makes contingency plans, thereby providing security for the staff and everybody else associated with the charity.

In addition, a Sustainable Building and Conservation Reserve was established to address the increasingly urgent repairs required to the building that the charity owns and occupies in St Johns. The purchase of the building was enabled by a legacy some years ago, and it is only right and proper that we keep it in good repair, with an eye to a sustainable future. An estimation of the necessary repairs and improvements required is £150,000 and the intention is that a programme of work will start soon to address these issues.

The charity commits to an annual budget, which covers four broad categories of expenditure, the largest cost being staffing. However, over 70% of these staff costs (last year 75%) relates to development staff directly involved in delivering the cultural activities of the charity, the rest being administrative and support staff. The other expenditure categories are the cultural development budgets, grants distributed and the necessary expenditure relating to running of the premises and depreciation. Every effort is made to concentrate resources upon the delivery of the activities of the charity and keeping the indirect overheads to a minimum, whilst still observing good employment, safety and regulatory practices. Administrative overheads this year increased slightly and were 25% of the total costs. Last year total costs were higher but the administrative costs slightly less and only 20% of the total.

The future financial plans of the charity assume that government grants and lottery duties continue to be received in similar amounts, but we have no influence over this. Our budgets concentrate therefore on maximising impact and effectiveness within the local community but keeping costs and overheads to a minimum. The board has confidence that future costs and employment can be committed to due to the investment in the significant reserves now held.

Hon Treasurer Debi Michelson LLB FCA
Tashteyder, Culture Vannin

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Objects of the Charity, and aims for the future – Kiarailyn y çheshaght ghiastyllagh,
 as deanyn son y traa ry-heet

For the year ended 31 March 2021

Under its trading name of Culture Vannin, the Manx Heritage Foundation works to fulfil the objects detailed in the Manx Heritage Foundation Act 1982:

- 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 in the premises referred to in section 6 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 this Act;
- to do such other acts or things as are incidental to the attainment of the objects of the Foundation, and so far as it 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 Act lists cultural heritage as including:

- | | | | |
|--------------|--------------|-------------------|--------------|
| • art | • history | • natural history | • law |
| • crafts | • folklore | • ecology | • industrial |
| • language | • music | • archaeology | development |
| • literature | • folk-dance | • architecture | |

of the Island or associated with the Island and its people.

Aims and objectives set for the charity in the future

The Board works strategically to fulfil aims and objectives for the future development of Manx culture and cultural heritage. Its internal strategy focusses on the promotion of the subject areas listed above through communication, community activity, creativity and innovation, education, funding, partnership, recording and research. Moreover, Culture Vannin is joint author of the National Development Strategy for Culture and the Arts (2017-2027) entitled 'Arts, culture and creativity for everyone' and which identifies six key ambitions:

- 1) Inspire people of all ages and backgrounds to enjoy our culture and the arts.
- 2) Invest in the Island's creative community for success and sustainability.
- 3) Promote our unique Manx culture and distinctiveness as central to the Island's image, nationally and internationally.
- 4) Champion the arts and culture as fundamental of our wellbeing and sense of place.
- 5) Develop knowledge, skills and understanding within our creative and cultural industries.
- 6) Inspire and enable people to explore new horizons through innovation, media and technology.

Nestled beneath this national development strategy is the Manx Language Strategy (2017-2021) which identifies four themes:

- 1) Appropriate and accessible resources.
- 2) Manx as an important part of national and cultural identity.
- 3) Manx for the Manx-speaking community.
- 4) Lifelong learning of Manx from early to later years.

At the time of writing, work had started on the next five year action plans for both these strategy documents.

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

For the year ended 31 March 2021

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

Our opinion

Our Opinion on the financial statements is unmodified

We have audited the financial statements of Manx Heritage Foundation (the 'Foundation') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance sheet, Statement of movement on reserves 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 2021 and of its profit 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 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

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 auditor's report cannot be viewed as a guarantee as to the entity's ability to continue as a going concern.

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

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 2-3, and information included in the Treasurer's statement set out on Page 4, and the Objects of the Charity and aims for the future set out on Page 5, 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

We have nothing to report in respect of the following matters where the Audit Act 2006 require us to report to you if, in our opinion:

- the foundation has not kept proper books of account, or if proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the books of account and returns; or
- the financial statements do not contain particulars as to loans to, and remuneration of members; or
- we have not received all the information and explanations which are necessary for the purposes of our audit.

Responsibilities of members

As explained more fully in the Statement of Members' Responsibilities statement set out on page 6, the 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

– The Foundation is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including FRS 102, Isle of Man Charities Registration and Regulation Act 2019, Manx Heritage Foundation Act 1982, Audit and Accounts Regulations 2018 made under the Audit Act 2006 and taxation laws. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

– We understood how the Foundation is complying with those legal and regulatory frameworks by, making inquiries to management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of minutes and documents provided to the board.

– We assessed the susceptibility of the Foundation's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- identifying and testing journal entries, in particular any unusual journal entry postings.

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

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.

Use of our report

This report is made solely to the Foundation's members, as a body. 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.

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:

Manx Heritage Foundation *trading as*
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Statement of Financial Activities

for the year ended 31 March 2021

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 16 to 28 form part of these financial statements.

	<i>Notes</i>	2021	2021	2021	<i>2020</i>	<i>2020</i>	<i>2020</i>
		<i>Non-</i>	<i>Designated</i>	<i>Total</i>	<i>Non-</i>	<i>Designated</i>	<i>Total</i>
		<i>designated</i>			<i>designated</i>		
		£	£	£	£	£	£
Incoming resources							
Government grants		100,000	-	100,000	100,000	-	100,000
Lottery duty		391,872	-	391,872	393,920	-	393,920
Bona Vacantia Income		10,444		10,444	14,982	-	14,982
Total government income		502,316	-	502,316	508,902	-	508,902
Donations		4,195	-	4,195	2,990	-	2,990
Net publication income	<i>1e, 4</i>	2,987	-	2,987	1,002	-	1,002
Other income	<i>5</i>	740	-	740	1,498	-	1,498
Total other income		7,922	-	7,922	5,490	-	5,490
Total incoming resources	<i>1c</i>	510,238	-	510,238	514,392	-	514,392

(Continued ...)

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Statement of Financial Activities (continued)
for the year ended 31 March 2021

	Notes	2021 Non- designated £	2021 Designated £	2021 Total £	2020 Non- designated £	2020 Designated £	2020 Total £
Resources expended							
Salaries		225,746	-	225,746	247,138	-	247,138
Pension contributions		19,518	-	19,518	19,797	-	19,797
Total staff costs	14	245,264	-	245,264	266,935	-	266,935
Language development		14,618	-	14,618	16,451	-	16,451
Gaelic broadcasting		3,450	-	3,450	3,000	-	3,000
Music development		13,126	-	13,126	17,799	-	17,799
Online and educational projects		11,822	-	11,822	13,897	-	13,897
Cultural centre development costs		3,137	-	3,137	4,501	-	4,501
Internal project Lorient		2,257	-	2,257	9,000	-	9,000
Internal creative writing commission		-	-	-	3,000	-	3,000
Internal Treisht 2020 projects		6,450	-	6,450	-	-	-
Total cultural development costs		54,860	-	54,860	67,648	-	67,648
Grants approved	8	35,381	-	35,381	57,898	1,000	58,898
Other charitable expenditure	6	28,986	-	28,986	34,256	-	34,256
Bona Vacantia expenditure		1,323	-	1,323	6,657	-	6,657
Depreciation		6,280	27,123	33,403	4,221	27,123	31,344
Total other costs		71,970	27,123	99,093	103,032	28,123	131,155
Total resources expended	1d	372,094	27,123	399,217	437,615	28,123	465,738
Net income generated		138,144	(27,123)	111,021	76,777	(28,123)	48,654

(Continued ...)

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Statement of Financial Activities (continued)
for the year ended 31 March 2021

	<i>Notes</i>	2021 <i>Non-</i> <i>designated</i>	2021 <i>Designated</i>	2021 <i>Total</i>	2020 <i>Restated</i> <i>Non-</i> <i>designated</i>	2020 <i>Designated</i>	2020 <i>Restated</i> <i>Total</i>
		£	£	£	£	£	£
Gross transfers between reserves	15	(208,328)	208,328	-	(62,252)	62,252	-
Net movement on fund		(70,184)	181,205	111,021	14,525	34,129	48,654
Balance brought forward at 1 April (as previously stated)		130,924	758,572	889,496	89,516	724,443	813,959
Prior year adjustment	18	-	-	-	26,883	-	26,883
Balance brought forward (restated)		130,924	758,572	889,496	116,399	724,443	840,842
Balance carried forward		60,740	939,777	1,000,517	130,924	758,572	889,496

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

Balance sheet
as at 31 March 2021

	<i>Notes</i>	£	2021 £	£	Restated 2020 £
Fixed assets					
Tangible fixed assets	<i>1f, 9</i>		458,043		486,102
Current assets					
Stock	<i>1g, 4</i>	32,771		30,985	
Debtors	<i>11</i>	8,667		9,608	
Cash and cash equivalents		613,251		413,561	
Loans	<i>10</i>	-		-	
Total current assets			654,689		454,154
Creditors: amounts falling due within one year					
Creditors and accruals	<i>12</i>		(112,215)		(50,760)
Net current assets			542,474		403,394
			1,000,517		889,496
Represented by:					
Non-designated funds	<i>15</i>		60,740		130,924
Designated funds Kaneen Legacy		472,390		499,513	
Designated funds Contingency reserve		230,644		149,316	
Designated funds Sustainable Building and Conservation reserve		150,000		60,000	
Designated funds Grants reserve	<i>15</i>	86,743		49,743	
Designated funds			939,777		758,572
			1,000,517		889,496

The notes on pages 16 to 28 form part of these financial statements.

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

Chair

Treasurer

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

Statement of Movement on Reserves – Coontey jeh Gleashaghey ayns
Stoyryn-argid

As at 31 March 2021:

	<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 at 1 April (as previously stated)	130,924	499,513	60,000	149,316	49,743	889,496
Income generated in year	138,144	(27,123)	-	-	-	111,021
Transfer between reserves	(208,328)	-	90,000	81,328	37,000	-
Per Balance sheet	60,740	472,390	150,000	230,644	86,743	1,000,517

As at 31 March 2020:

	<i>Restated Non-Designated</i>	<i>Designated</i>			<i>Restated Total</i>	
		<i>Kaneen Legacy</i>	<i>Building Reserve</i>	<i>Contingency Reserve</i>	<i>Grant Reserve</i>	
	£	£	£	£	£	
Balance brought forward at 1 April (as previously stated)	89,516	527,636	30,000	141,166	25,641	813,959
Prior year adjustment note 18	26,883	-	-	-	-	26,883
Income generated in year	76,777	(28,123)	-	-	-	48,654
Transfer between reserves	(62,252)	-	30,000	8,150	24,102	-
Per Balance sheet	130,924	499,513	60,000	149,316	49,743	889,496

The notes on pages 16 to 28 form part of these financial statements.

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

Notes

(forming part of the financial statements for the year ended 31 March 2021)

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)* Accounts and Audit regulations under the Audit Act 2006 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.

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 2021)

1 Accounting policies (continued)

It was agreed in May 2021 that this reserve will be increased to the equivalent of nine months' budgeted staff and operational expenditure, rising to twelve months in future.

b) Fund Structure (continued)

iii) Designated funds Sustainable Building and Conservation 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.

A Grants reserve was established and is to be funded with an amount each year from available income which has not been spent on awards or other charitable activities. The accumulated reserve will be available for distribution by way of grants or other financial awards, following the same criteria and approval process as any grants or other financial awards made from income. The purpose of the reserve is to enable awards to be considered and granted when current year income may not be available or sufficient, especially in the case of exceptional grant applications.

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.

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 2021)

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:*
Undinys Eiraght Vannin ta dellal fo'n ennym Culture Vannin

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2021)

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.

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:*
Undinys Eiraght Vannin ta dellal fo'n ennym Culture Vannin

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2021)

4 Net publication income

	£	2021 £	£	Restated 2020 £
Turnover		10,191		15,531
Less:				
Opening stock	30,985		32,558	
Additions	8,653		12,442	
Closing stock	(32,771)		(30,985)	
Royalties and delivery	337		514	
		<u>(7,204)</u>		<u>(14,529)</u>
Net publication income		2,987		1,002

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.

During the current year an overstatement in the cost of sales of certain publications over the past five years was discovered, the result of which is an understatement of the value of opening stock, and a corresponding understatement in retained profits of £26,883.

5 Other income

	2021 £	2020 £
Bank interest received	84	777
Workshop income	353	568
Digital down-loads (non-stock)	303	153
	<u>740</u>	<u>1,498</u>

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 2021)

6 Other charitable expenditure

	2021 Non- Designated £	2021 Designated £	2021 Total £	2020 Total £
General charitable expenditure	15,125	-	15,125	14,638
RBV trophy and award	758	-	758	1,000
Premises running and maintenance	4,708	-	4,708	8,093
Insurance costs	1,403	-	1,403	2,046
Committee and office expenses	1,492	-	1,492	2,229
Treasurer Honorarium/expenses	5,500	-	5,500	5,500
Stowell Sculpture	-	-	-	750
	<u>28,986</u>	<u>-</u>	<u>28,986</u>	<u>34,256</u>

7 Grants payable

	2021 Non- Designated £	2021 Designated £	2021 Total £	2020 Total £
Balance brought forward	30,584	1,272	31,856	29,540
Grants approved during the year (<i>note 8</i>)	44,541	-	44,541	58,898
Grants written back	(4,200)	-	(4,200)	-
Grants paid during the year	(25,843)	-	(25,843)	(56,803)
Grants repayable	(221)	-	(221)	221
Balance carried forward (<i>note 12</i>)	<u>44,861</u>	<u>1,272</u>	<u>46,133</u>	<u>31,856</u>

8 Grants approved during the year

	2021 £	2020 £
8 a) Non-designated grants		
Summary		
New non-designated Grants approved	44,541	74,898
New non-designated events cancelled	(4,000)	(6,721)
New non-designated ring-fenced established events cancelled	(960)	(7,080)
Prior year grants cancelled/expired/not required	(1,200)	(3,199)
Underwriting re-payment/not required	(3,000)	-
Total Non-designated grants approved	<u>35,381</u>	<u>57,898</u>

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 2021)

On Island cultural event support and development	2021	2020
	£	£
Shennaghys Jiu - Easter festival	(4,000)	4,000
Yn Chruinnaght Celtic Gathering - Celtic festival	1,290	2,200
Manx Litfest - Autumn festival	3,000	884
IOM Flower festival	1,800	247
Oie Voaldyn Fire festival Peel Town Commissioners	2,500	2,500
Peel Carnival	1,500	1,000
Archibald Knox Forum – projector and screen	900	-
Event Management Solutions - Picnic in the Abbey	1,050	-
Great Manx ShinDig	-	500
8 a) Non-designated grants (continued)	2021	2020
	£	£
Off Island cultural promotion		
Feis Fhort Visit to IOM from Scottish youth group	950	-
Pilgrimage IOM - Booklet, leaflet, website & signage	-	3,000
Manx music/musician support	2021	2020
	£	£
Breton Manx CD project (see note 16)	1,500	-
Manx Mondays online video series	600	-
Hello Little People -Theatre Production	2,130	-
Visit IOM - Manx Trad Music Session pilot scheme	952	-
Ballacottier School - Tin Whistles for Class use	450	-
Event Management Solutions: On Your Doorstep events	750	-
Hop tu Naa Jurby event	500	500
Harp pick up for student	-	333
Arrane son Mannin - prize and venue costs	-	615
Trad music CD & Performance (see note 16)	-	1,750
Isle of Pride - Youth Event	-	500
St German's Cathedral Music & Arts CD project	-	1,000
Travel for M. E Moon launch event and performance	-	400
NAMA Manx Language/music workshop at convention	-	779

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 2021)

	2021	2020
	£	£
Manx Heritage support		
Rushen Heritage Trust - Milner's Tower book	2,500	-
Erin Arts Centre Visit of Storyteller	(200)	200
Mooinjjer Veggey Manx language books & clothing	1,500	540
Manx Youth Bard - Stipend	300	300
Malew Church Organ Cleaning & Repairs	1,000	-
Pobble Tutor for residential course	180	
Traditional Mortars Symposium workshops	-	200
Visit Laxey Valley Map, Music Commission for exhibition	-	2,100
IOMSRSA Restoration of Good Van G1	-	2,500
Manx Herbs & folklore workshops	-	1,500
Marown School low whistle for folk group	-	135
Publishing – supporting external publications	2021	2020
	£	£
Manx pronunciation guide	5,000	-
Narrow Road to the Deep South book project	623	-
Manx Folklore comics	589	-
Sheshaght ny Paarantyn - bilingual recipe book	582	-
Go Man Go book, writing fee	(1,000)	-
Jinny the Witch & Magic Tunnel Bilingual book	-	980
Rushen Heritage Trust Living with the Sea book	-	2,000
Stories from Stone book project	-	1,500
Throatbone poetry book	-	1,000
Film project on Isle of Pride/LGBTQIA+ history	-	5,000
Book on Charlotte de la Tremouille	-	2,500
3 illustrations for book on 7th Earl of Derby	-	2,736
Songs of Tagore in Manx & Bengali recording project	-	2,000
Manx Youth Band 50th anniversary commission	-	1,500
	2021	2020
	£	£
Visual Arts		
Dark Avenue Film - film project on artistic inspiration/identity	1,000	-
Creeaght Project - Artwork for music project	1,000	-
Creative Network - Art Catalogue for festival	700	-
The Other Island Project Logo & Video	-	1,460
Manx National Youth Band – film documentary	-	1,500
Cathedral IOM 40th Anniversary exhibition	-	422
DHSC charity - Nellie Brennan garden	-	1,700
UCM - Drinking Dragon Film	-	(1,083)
Friends of Sophia Goulden – maquette for sculpture	-	1,000

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

(forming part of the financial statements for the year ended 31 March 2021)

	2021	2020
Research	£	£
University of Aberystwyth - Manx sermons research	5,085	-
Carbon dating/isotope analysis for Rushen Abbey skeleton	650	-
Centre for Manx Studies Vol 4 A New History of the IOM - underwriting	-	6,000
	<hr/>	<hr/>
Total Non-designated grants approved	35,381	57,898
	<hr/> <hr/>	<hr/> <hr/>
	2021	2020
<i>8 b) Designated Grants – Kaneen Legacy</i>	£	£
Manx language grant		
Kaneen Legacy Manx Language Bursary Scheme	-	1,000
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>
	-	1,000

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 2021)

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 2020	395,000	155,876	36,356	17,246	25,695	12,652	642,825
Additions	-	-	-	-	2,688	2,656	5,344
31 Mar 2021	395,000	155,876	36,356	17,246	28,383	15,308	648,169
Depreciation							
31 Mar 2020	31,600	60,772	14,543	16,796	24,659	8,353	156,723
Charge for year	7,900	15,587	3,636	420	2,829	3,031	33,403
31 Mar 2021	39,500	70,359	18,179	17,216	27,488	11,384	190,126
Net book value:							
31 Mar 2021	355,500	79,517	18,177	30	895	3,924	458,043
31 Mar 2020	363,400	95,104	21,813	450	1,036	4,299	486,102

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 2021)

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”. The board agreed in 2020 that no further loans will be made.

11 Debtors

	2021	2020
	£	£
Loans	-	5,000
<i>less</i> provision for doubtful debts	-	(5,000)
	<hr/>	<hr/>
Trade debtors	1,595	2,094
Accrued income	-	2,815
Grants repayable & other debtors	-	817
Prepayments	7,072	3,882
	<hr/>	<hr/>
	8,667	9,608
	<hr/> <hr/>	<hr/> <hr/>

12 Creditors and accruals

	2021	2020
	£	£
Grants payable (<i>note 7</i>)	46,133	31,856
Other creditors and accruals	66,082	18,904
	<hr/>	<hr/>
	112,215	50,760
	<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 (current year £4,250, 2020 £4,250) have been paid by the Isle of Man Government.

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

(forming part of the financial statements for the year ended 31 March 2021)

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. In September 2019, an intern position was fully funded by the Isle of Man Government Bona Vacantia fund. This was a full-time position until September 2020 focussing on a project called “Mann’s Green Footsteps”.

	2021	2020
	£	£
Total salaries	225,746	247,138
Pension contributions	19,518	19,797
	-----	-----
Total staff costs	245,264	266,935
	=====	=====
Number of full-time staff employed during the year	4	4
Number of part-time staff employed during the year	1	1
	-----	-----
Total number of staff employed	5	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.

Contingency reserve – A provision for six month’s operating costs and salaries was increased in 2021 by the board to twelve months. During the current year the reserve was increased to £230,644, which is equivalent to nine months’ costs. The intention is to add to the reserve further in future years as surpluses allow, until it reaches the target of twelve months’ costs.

Designated funds Sustainable Building and Conservation 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 £150,000. A transfer to the building reserve of £90,000 was made during the year to enable those repairs to be carried out.

Grant reserve – During the year, as a result of the Coronavirus (Covid-19), a number of events for which grants had been awarded were either cancelled or the full amount awarded was not paid, an estimated £9,160. A new scheme entitled “Treisht 2020” was established to make a number of small awards totalling £6,450 whereby 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. An amount of £37,000 was transferred into the Grants reserve as an estimation of the grants which would have been paid in respect of cancelled events or projects, thereby designating the amount for future grant payments.

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 2021)

16 Members' Attendance Allowances and Related Party Transactions

During the year ended 31 March 2021, members' allowances of £nil (2020: £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 (2020: £100,000), a lottery grant of £391,872 (2020: £393,920), and £10,444 (2020: £14,981) from the Bona Vacantia Fund.

During the financial year, grant of £1,500 was awarded to D. Kilgallon, the son of Mrs C. Kilgallon (Foundation member) - Breton Manx CD project.

During 2020 the financial year, - Additional funding of £1,750 was awarded to D. Kilgallon, the son of Mrs C. Kilgallon (Foundation member) - Trad music CD and performance with T. Callister.

17 Subsequent events

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

18 Prior year adjustment

In 2017 the entity changed its accounting policy in respect of stock, the net realisable value of any item of stock was deemed to be nil if it was still held by the Foundation 10 years following purchase. During the current year, it was identified that the stock had been incorrectly written off 7 years following purchase instead of 10 years. This incorrect policy had been applied since 2017 resulting in an understatement of stock and overstatement of cost of sales in prior years of £26,883.

A prior year adjustment has been incorporated into the current year accounts to correct the position, stock has been corrected and brought forward non designated reserves have been adjusted to account for the overstatement of cost of sales.