

# **Manx Museum and National Trust**

**Financial statements**

**For the year ended 31 March 2019**

**Registration No. 603**

# Manx Museum and National Trust

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# **Manx Museum and National Trust**

## **General information**

### **Charitable status**

The Manx Museum and National Trust (the “Trust”) was registered as a charity under the Charities Registration Act 1989 on 15 January 1993 and assigned registration no 603.

The Manx Museum and National Trust Act as amended in 2012 makes provision for the establishment of a new Board every five years after a General Election and a new Tynwald. Board members can serve a maximum of two five years terms and must re-apply for the position. Recruitment of a new Board took place in the spring of 2017 – with the Board being formally endorsed by Tynwald in May 2017. The new Board undertook a programme of induction during the summer of 2017.

During the year, the Board consisted of the following Trustees:

- Jonathan Hall (Chair)
- Malcolm Kelly
- Mark Shimmin
- Eva Wisemark
- John Watt
- Catriona Mackie
- Rob Callister MHK (Minister’s representative)
- Philip Gawne
- Joan Conway
- David Martin
- Jennie Thompson

### **Registered address**

Manx National Heritage  
Manx Museum and National Trust  
Douglas  
Isle of Man  
IM1 3LY

# Manx Museum and National Trust

## General information (continued)

### Funds

Legacies and donations received by the Trust are allocated to one of three different funds depending on the nature of the legacy or donation.

Within these funds, a separate record is kept of any monies received for specific purposes or with special conditions attached and these are allocated to a restrictive condition section of the fund. The principal funds are:

#### *General All Purpose Fund*

Income from miscellaneous legacies and donations are deposited in this fund.

#### *Curatorial and Professional Development Fund*

Income received for use in Manx National Heritage for curatorial and professional development.

#### *Biodiversity Fund*

Income received for use on works that will have a significant long-lasting benefit on Manx biodiversity is allocated to this fund.

#### *Non-distributable reserve*

Properties held as investment properties are subject to revaluation. Any such revaluation is not classed within a designated fund as these revaluations are not representative of usable funds. Revaluations are allocated to a non-distributable reserve until that reserve is nil, after which deductions are made from the general all purpose fund for any further reductions in value not offset by increases in value.

# **Manx Museum and National Trust**

## **Report of the Trustees**

The Trustees present their annual report together with the audited financial statements of the Manx Museum and National Trust for the year ended 31 March 2019.

## **Allocation between Government and the Trust**

The Isle of Man Government makes a significant contribution to the core activities of the Trust and the Trust used the Government accounting services and systems to hold and manage transactions. Historically the Government has included that financial contribution within its Revenue budget and as a consequence has also included the Accounts relating to these activities within its consolidated accounts. A draft unaudited version of these is published annually for the July Tynwald (Light Blue Book) and a summary, audited, version for the October Tynwald (Dark Blue Book).

Historically the Trust's operational budgets and accounts associated with the Government support have been managed and reported separately from accounts described by the Trust as "Charitable". As a result of matters raised by the Attorney General's Chambers, in the capacity of Attorney General's statutory role concerning Manx charities, it is accepted that the Trust has an obligation to describe the full range of its activity in its accounts, and should not artificially separate out accounts or describe them in this way.

Significant progress has been made in rectifying this position but it has involved a complete review of the Trust's relationship with Government and re-engineering of the Trust's accounting processes and systems in order to consolidate the full picture of the activities of the Trust. The Trust are grateful for the support of the Isle of Man Treasury Department's staff and a small grant to employ a specialist consultant. It is has not been possible to resolve this retrospectively for the financial year 2018/19 and as the framework to provide a single set of accounts will not be available until April 2020 a similar issue will arise for the reporting period 2019/20. As previously provided the relevant extracts from the Light Blue Book have therefore been appended to the Trust's accounts for that year.

Discussions with the Attorney General's Chambers have also confirmed that all property in the name of the Trust is owned by the Trust irrespective of the source of any funding. Significant progress has been made with documenting this but it has not been possible to secure all necessary revaluations for the financial year 2018/19. Trust property also remains in the Government consolidated accounts, details of which are appended.

Work continues on developing formal heads of terms for Partnership Agreements which documents the relationship between the Charity and the Government including the various services and support provided by the relevant partner.

# Manx Museum and National Trust

## Report of the Trustees (continued)

### Results

At the year end, the Trust had net assets of £4,454,260 (2018: £4,271,278) and a surplus for the year of £182,982 (2018: surplus £163,700).

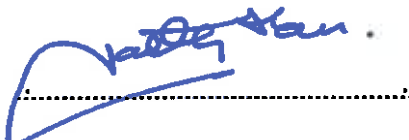
### Distributions

No distributions have been paid or proposed during the year (2018: *£nil*).


### Auditors

Grant Thornton, being eligible, have indicated their willingness to be the Trust's auditors for next year.

### On behalf of the Trust



Trustee



Trustee

## **Manx Museum and National Trust**

### **Statement of Trustees' responsibilities in respect of the Trustees' report and the financial statements**

The Trustees are responsible for preparing the Trustees' report and the financial statements for each financial year in accordance with applicable law and regularities. In addition, the Trustees have elected to prepare the financial statements in accordance with Section 1A of FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Accounting Standards applicable to Smaller Entities), as applicable to an Isle of Man Trust.

The Trustees 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 Trust and of the surplus or deficit for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK Accounting Standards including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland as applicable to an Isle of Man Trust;
- assess the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business, and
- observe the methods and principles in the Charities SORP.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Trust Deed.

They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

## **Report of the Independent Auditors, KPMG Audit LLC, to the Trustees of Manx Museum and National Trust (“the Trust”)**

### **Disclaimer of opinion**

We were engaged to audit the financial statements of Manx Museum and National Trust for the year ended 31 March 2019 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in the preparation of these financial statements is applicable law and Section 1A of FRS 102 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (UK Accounting Standards applicable to Smaller entities) as applicable to an Isle of Man Trust.

We do not express an opinion on the financial statements. Due to the significance of the matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for disclaimer of opinion**

Due to the fundamental impact of the matter as described in the Trustees' Report on page 3 and in note 10 to the financial statements, we have been unable to confirm the completeness of the Trust's income, expenditure and assets, as they appear in these accounts, as they do not include in consolidated form the income, expenditure and assets which appear within the Isle of Man Government's accounts as proposed by the Attorney General's Chambers. An exercise is underway to examine this position, however it has not been concluded as at the date of this report and it is not possible to quantify the impact on these financial statements. As a result of this, we have been unable to obtain sufficient appropriate audit evidence concerning income, expenditure and assets. We disclaimed an opinion on the financial statements for the year ended 31 March 2018 with regard to this same matter.

As in prior years, there is also a limitation in audit scope in relation to income donations and legacies. Consistent with many charitable institutions, legacies and donations may be receivable by the Trust from a wide range of sources. Given the inherent difficulty in identifying and quantifying the source of all potential income, there is limited sufficient appropriate audit evidence available to us in order to assess the completeness and accuracy of the donations and legacies.



## **Report of the Independent Auditors, KPMG Audit LLC, to the Trustees of Manx Museum and National Trust ("the Trust") (continued)**

### **Other information**

The Trustees are responsible for the other information presented within the Financial Statements. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Due to the significance of the matter described in the basis for disclaimer of opinion on financial statements paragraph, and the consequential effect on the related disclosures in the other information, although in our opinion the information given in the other information for the financial year is consistent with the financial statements, we do not express an opinion on the preparation of that information or whether we have identified material misstatements in that information.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page 5, the Trustees are responsible for: the preparation of the financial statements in accordance with Section 1A of FRS 102 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (UK Accounting Standards applicable to Smaller entities) as applicable to an Isle of Man Trust.

### **Auditor's responsibilities**

Our responsibility is to conduct an audit of the financial statements in accordance with International Standards on Auditing (UK), and to issue an auditor's report. However, due to the significance of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard.

**Report of the Independent Auditors, KPMG Audit LLC, to the Trustees of Manx Museum and National Trust ("the Trust") (continued)**

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state to the Trustees 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 Trust and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

KPMG Audit LLC

**KPMG Audit LLC**

*Chartered Accountants*

Heritage Court

41 Athol Street Douglas

Isle of Man IM99 1HN

30 September 2019

## Profit and loss account

for the year end 31 March 2019

	Note	2019 £	2018 £
<i>Income</i>			
Donation boxes		17,053	19,557
Donations and legacies		372,629	82,778
Sale of publications		1,495	7,883
Rental income		98,079	84,709
Sundry	6	166,111	1,365
Investment income		17,213	15,563
Gain/(loss) on investments	4	7,715	(1,136)
		<u>680,295</u>	<u>210,719</u>
<i>Expenses</i>			
Audit fees		(4,886)	(4,500)
Heritage project costs	8	(442,479)	-
Impairment of investment property	3	-	-
Sundry expenses		(36,453)	(30,919)
Depreciation	2, 5	(13,495)	(11,600)
		<u>(497,313)</u>	<u>(47,019)</u>
<b>Surplus for the year</b>		<b>182,982</b>	<b>163,700</b>
As at 1 April		<u>4,271,278</u>	<u>4,107,578</u>
<b>As at 31 March</b>		<b><u>4,454,260</u></b>	<b><u>4,271,278</u></b>

The notes on pages 11 to 19 form part of these financial statements.

The Trustees consider that all results derive from continuing activities.

## Balance sheet

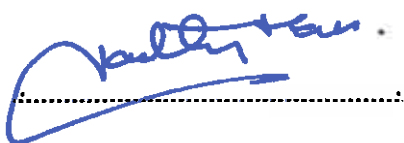
As at 31 March 2019


	Note	2019	2018
		£	£
<b>Fixed assets</b>			
Heritage assets	2	315,934	301,529
Tangible fixed assets	5	310,500	317,400
Investment properties	3	600,000	600,000
Investments	4	<u>311,872</u>	<u>291,011</u>
		<b>1,538,306</b>	<b>1,509,940</b>
<b>Current assets</b>			
Cash at bank		2,920,986	2,770,663
<b>Creditors: amounts falling due in less than one year</b>			
Accruals		(5,032)	(4,500)
Other creditors		<u>-</u>	<u>(4,825)</u>
		<b>(5,032)</b>	<b>(9,325)</b>
<b>Net current assets</b>		<u>2,915,954</u>	<u>2,761,338</u>
<b>Net assets</b>		<u>4,454,260</u>	<u>4,271,278</u>
<b>Reserves</b>			
Manx Museum and National Trust funds available	9	3,984,260	3,801,278
Non-distributable reserve	9	470,000	470,000
<b>Total funds</b>		<u>4,454,260</u>	<u>4,271,278</u>

The notes on pages 11 to 19 form part of these financial statements.

These financial statements were approved by the Trustees on 24 September 2019

and were signed on their behalf by:

  
.....  
Trustee

  
.....  
Trustee

## Notes

*(forming part of the financial statements for year ended 31 March 2019)*

### 1 Accounting policies

#### *a) Accounting convention*

The financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets and investment property, and in accordance with Section 1A of FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, as applicable to an Isle of Man Trust. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements. The financial statements have been prepared on a going concern basis following an assessment by the Trustees.

#### *b) Income and expenses*

All income and expenses are accounted for on an accruals basis.

Expenditure which, in the Trustees' view, is required to preserve or clearly prevent further deterioration of individual collection items, or to repair and maintain land and buildings, is recognised in the Profit and Loss account when it is incurred.

#### *c) Stock*

Expenditure on publications is taken from the relevant fund in the year in which it is incurred. Stocks of publications are not included in the balance sheet as assets of the Trust.

#### *d) Financial instruments*

The Trust classifies its investments as financial assets at fair value through profit or loss. The classification is dependent on the purpose for which the investments were acquired. The Trustees determine the appropriate classification of investments at the time of purchase and re-evaluate each designation at every reporting date.

Financial assets at fair value through profit or loss are part of a group of investments that is managed on a portfolio basis and whose performance is evaluated and reported internally on a fair value basis to the Trust's Trustees in accordance with a documented investment strategy.

## **Notes (continued)**

*(forming part of the financial statements for year ended 31 March 2019)*

### **1 Accounting policies (continued)**

#### *d) Financial instruments (continued)*

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Trust after deducting all of its liabilities.

#### *i) Initial recognition and subsequent measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Trust intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *ii) De-recognition of financial instruments*

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Trust transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Trust, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## **Notes (continued)**

*(forming part of the financial statements for year ended 31 March 2019)*

### **1 Accounting policies (continued)**

#### *e) Heritage assets*

##### *i) Artefacts*

The Trustees do not consider that reliable cost of valuation information can be obtained for the vast majority of items held in the collections of artefacts and fossils. This is because of the diverse nature of the assets held, the number of assets held and the lack of comparable market values. The Trust does not therefore recognise the assets on its balance sheet, other than recent acquisitions which are reported at cost, where the object is purchased, or at the Museum Curator's best estimate of current value where the object is donated.

##### *ii) Land and buildings*

The Trust maintains a number of buildings and areas of land which it deems to be classed as heritage assets. These are included in the Schedule of Trust Ownership appended to these financial statements. The Trustees consider that owing to the incomparable nature of the buildings and land sites, conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the museum and users of the accounts. As a result, no value is reported for these assets in the Trust's balance sheet.

No depreciation is charged on heritage assets for which a value could be determined, due to the incomparable nature of the heritage assets, and the fact that the assets for which a purchase cost could be determined, is part of a programme of continuous refurbishment.

Buildings are stated at cost less accumulated depreciation, as a value can be ascribed to them. These buildings have a useful life of 50 years and depreciation begins in the year after acquisition.

##### *f) Tangible fixed assets – Buildings*

Buildings are stated at cost less accumulated depreciation. Buildings are used to house special heritage assets that are part of the Manx National Heritage program for studying and conserving heritage assets. They have a useful life of 50 years.

## Notes (continued)

(forming part of the financial statements for year ended 31 March 2019)

### 1 Accounting policies (continued)

#### g) Investment property

Investment properties are initially recognised at cost. Subsequent to initial recognition the properties are held at fair value with any gains or losses arising from changes in the fair value being recognised through the profit and loss account in the year to which they relate. No depreciation is provided for in relation to these properties.

### 2 Heritage assets

The Trustees of the Manx Museum and National Trust have concluded that assets held such as artefacts, fossils and land and buildings fall under the scope of FRS 102 in respect of heritage assets. A schedule of trust ownership is appended to these financial statements. Except for the assets named below no value is attributed to these assets in accordance with FRS 102 for assets with no historic cost or relevant obtainable market valuation.

During 2011, the Trust purchased a property at Thornbank, Falcon Cliff Terrace, Douglas for £235,000. The property is currently undergoing restoration and is carried on the balance sheet in accordance with FRS 102. In July 2017, the Trust purchased the Castletown benefits office for £80,000. Improvements to property are made by the tenant in lieu of payment of rental income. These improvements are capitalised within the value of the asset.

	<b>Heritage assets</b>
	<b>£</b>
<b>Cost or valuation</b>	
At 1 April 2018	329,729
Additions	21,000
Disposals	-
<b>At 31 March 2019</b>	<b>350,729</b>
<b>Depreciation</b>	
At 1 April 2018	28,200
Charge for the year	6,595
Disposals	-
<b>At 31 March 2019</b>	<b>34,795</b>
<b>Net book value</b>	
<b>31 March 2019</b>	<b>315,934</b>
31 March 2018	301,529



## Notes (continued)

(forming part of the financial statements for year ended 31 March 2019)

### 3 Investment properties

	2019	2018
	£	£
<i>Opening balance</i>	600,000	600,000
Loss on revaluation of property	-	-
<i>Closing balance</i>	<u>600,000</u>	<u>600,000</u>

The Trust owns two properties classed as investment properties: Flat 1, 3 Kingswood Grove, Douglas and Thie Ny Droghad, Colby.

Flat 1, 3 Kingswood Grove, Douglas: The property was valued by the Isle of Man Government Valuation Office in accordance with the RICS Valuation Standards Red Book at 31 March 2017 at a value of £125,000.

Thie Ny Droghad, Colby: The property was valued by the Isle of Man Government Valuation Office in accordance with the RICS Valuation Standards Red Book at 31 March 2017 at a value of £475,000.

The properties are held at 31 March 2019 and 31 March 2018 at the Trustees' estimate of fair value which is considered to be the value determined at 31 March 2017 as noted above through Red Book valuations. The Trustees have considered the Isle of Man Property market over the years to 31 March 2019 since those valuations and do not consider there to have been any material impairment in value to the properties.

### 4 Investments

	2019	2018
	£	£
<i>Opening balance</i>	291,011	308,278
Additions	102,821	20,000
Disposals	(89,675)	(36,131)
Gain/(loss) on investments	7,715	(1,136)
<i>Closing balance</i>	<u>311,872</u>	<u>291,011</u>

## Notes (continued)

(forming part of the financial statements for year ended 31 March 2019)

### 5 Tangible fixed assets

	Buildings £
<b>Cost or valuation</b>	
At 1 April 2018	345,000
Additions	-
Disposals	-
<b>At 31 March 2019</b>	<b>345,000</b>
<b>Depreciation</b>	
At 1 April 2018	27,600
Charge for the year	6,900
Disposals	-
<b>At 31 March 2019</b>	<b>34,500</b>
<b>Net book value</b>	
<b>31 March 2019</b>	<b>310,500</b>
31 March 2018	317,400

The building was purchased during the financial year 2015-16 to house the Peggy Vessel, which was obtained from the Castletown Nautical Museum. This is part of the Manx National Heritage programme to conserve and study the vessel. The building is solely used for this purpose.

### 6 Capital commitments

No. 6 Kingswood Grove was held in the name of the Trust but noted within the Isle of Man Government consolidated accounts. It had therefore not appeared within the list of Trust assets and the terms under which the purchase was funded stated that any sale funds would accrue to Treasury, not the Trust. Following negotiation, Treasury agreed that the proceeds of the sale (£135,629 included in Sundry income) could be used to part fund the acquisition of the Baillie Scott Police Station in Castletown, with the Trustees committing to fund up to £90,000 towards the acquisition. In addition the Trustees have agreed to purchase a storage unit for up to £425,000. £30,000 was received from Elizabeth Clucas Trust towards the refurbishment of Thornbank.

	2019 £	2018 £
Reimbursed	-	16,047
Authorised but not reimbursed	<b>680,629</b>	-

## **Notes (continued)**

*(forming part of the financial statements for year ended 31 March 2019)*

### **7 Financial risk management**

The Trust is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are market risk, credit risk and liquidity risk.

*a) Market risk*

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in interest rates, equity prices and foreign currency exchange rates, affecting both the value of the Trust's assets and its liabilities.

*b) Credit risk*

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. The Trust's exposure primarily relates to amounts recoverable from investment debtors or bank balances.

*c) Liquidity risk*

Liquidity and cash flow is the risk that cash may not be available to pay obligations when due.

### **8 Related party transactions, immediate and ultimate controlling party**

At the balance sheet date, the immediate and ultimate controlling party of the Trust is considered to be the Trustees of the Manx Museum and National Trust. During the year, heritage project costs of £442,479 (2018: *£nil*) were paid to the Isle of Man Treasury. These funds were released from cash reserves to cover large projects undertaken outside the scope of the budget provided by Treasury for the year. This funding was not called in for the prior year. The Treasury Department forms part of the Isle of Man Government which is controlled by Members of Tynwald made up of Members of the House of Keys (MHKs) and Members of the Legislative Council (MLCs). In accordance with the Manx Museum and National Trust Act, the Trustees of the Trust during the period included an MHK, appointed as a representative of the Minister of the Department for Enterprise. Under FRS 102 this is considered to be a related party. Payments made for heritage projects are made on terms equivalent to those prevailing in an arm's length transaction.

## Notes (continued)

(forming part of the financial statements for year ended 31 March 2019)

### 9 Manx Museum and National Trust Funds

As at 31 March 2018	General All Purpose	Biodiversity	Curatorial and Professional Development	Non- distributable reserve	Total
	£	£	£	£	£
Balance brought forward	2,711,419	26,002	900,157	470,000	4,107,578
Movement for the year	99,856	75	63,769	-	163,700
Per Balance Sheet	<u>2,811,275</u>	<u>26,077</u>	<u>963,926</u>	<u>470,000</u>	<u>4,271,278</u>
As at 31 March 2019	General All Purpose	Biodiversity	Curatorial and Professional Development	Non- distributable reserve	Total
	£	£	£	£	£
Balance brought forward	2,811,275	26,077	963,926	470,000	4,271,278
Movement for the year	116,739	207	66,036	-	182,982
Per Balance Sheet	<u>2,928,014</u>	<u>26,284</u>	<u>1,029,962</u>	<u>470,000</u>	<u>4,454,260</u>

The non-distributable reserve represents unrealised gains on revaluation of properties. In order for these funds to be used for Trust purposes the properties would need to be sold to release the funds. As such they are classed as non-distributable until such time as the properties are sold and the funds held in cash or other liquid investments.

## **Notes (continued)**

*(forming part of the financial statements for year ended 31 March 2019)*

### **10 Allocation between Government and the Trust**

As noted in the Report of the Trustees, the position following the direction by the Attorney General's Chambers remains ongoing.

Significant progress has been made in rectifying this position but it has involved a complete review of the Trust's relationship with Government and re-engineering of the Trust's accounting processes and systems in order to consolidate the full picture of the activities of the Trust. The Trust are grateful for the support of the Isle of Man Treasury Department's staff and a small grant to employ a specialist consultant. It has not been possible to resolve this retrospectively for the financial year 2018/19 and as the framework to provide a single set of accounts will not be available until April 2020 a similar issue will arise for the reporting period 2019/20. As previously provided the relevant extracts from the Light Blue Book have therefore been appended to the Trust's accounts for that year.

Discussions with the Attorney General's Chambers have also confirmed that all property in the name of the Trust is owned by the Trust irrespective of the source of any funding. Significant progress has been made with documenting this but it has not been possible to secure all necessary revaluations for the financial year 2018/19. Trust property also remains in the Government consolidated accounts, details of which are appended.

### **11 Subsequent Events**

No further subsequent events have been identified that require disclosure in these financial statements.

## Schedule of Trust Ownership (unaudited)

### *as at 31 March 2019*

The majority of the collections at the Manx Museum and Site Museums.

"Yn Thie Thooit", The Lhen, Andreas.

c 2.8 acres Kerroogarroo Fort, Andreas.

c 23.8 acres Ballakeil, Andreas.

c 1.7 acres Smithy Cottage with adjacent land, Earystane, Arbory.

Thie ny Droghad, Upper Ballastroan, Colby, Arbory.

c 21.45 acres on the Curraghs, Ballaugh.

Pinfold, Braddan.

Unit 9, Cooil Smithy, Braddan.

c 57.7 acres at Ballakesh and Ballawhannel, Bride.

c 1.38 acres Vollan Fort, Lezayre.

c 87 acres Killabrega, Lezayre.

c 55 acres Sulby Glen, Lezayre.

c 40.7 acres Ballaragh, Bulgham Bay, Lonan.

c 8.27 acres Laxey Wheel Land and c 6.9 acres Laxey Head, Lonan.

King Orry's Grave adjoining Gretch Veg, Lonan.

Nautical Museum, Malew.

Grammar School, Malew.

Hango Hill, Malew.

Old House of Keys, Malew.

c 3.3 acres Silverdale Glen (partial), Malew.

c 12.6 acres St Michaels Isle (excl. Fort), Malew.

c 0.6 acres Monk's Bridge, Ballasalla, Malew.

Castlegate, Castletown, Malew.

c 2.2 acres Braaid Monument, Marown.

c 19 acres Upper Ballaharry, Marown.

2.5 acres at Port-e-Vullen, Maughold.

9 acres at Gob ny Rona, Maughold.

c 37.5 acres The Dhoon, Maughold.

c 107 acres on Maughold Head and Brooghs (incl. Hall Caine), Maughold.

Maughold Green, Maughold.

Manx Museum buildings, Clifton House, Library Stack and land at Museum entrance, Onchan.

Thornbank, Falcon Cliff Terrace, Onchan.

Land at Scollag Road, Onchan.

Flat 1, 3 Kingswood Grove, Onchan.

c 373 acres of land at Eary Cushlin and Creggan Mooar, Patrick.

c 13 acres of land at Niarbyl, Upper, Lower Thatch and Knockuskey, Patrick.

c 212 acres Spanish Head (original holding), Rushen.

c 62 acres Cregneash, Rushen.

Harry Kelly's Cottage, Cregneash, Rushen.

Smithy Building, Cregneash, Rushen.

Crebbin's House, Cregneash, Rushen.

Lathe Shed, Cregneash, Rushen.

Weavers House and garden, Cregneash, Rushen.

Karran Farm, Cregneash, Rushen.

Cregneash Green, Cregneash, Rushen.

Ned Begg's Cottage, Cregneash, Rushen.

"Thie Thooit Beg", Cregneash, Rushen.

"Calf View", Cregneash, Rushen.

Charlotte Keggins Tholtan, Cregneash, Rushen.

c 90 acres the Chasms (incl. the shelter, Sugar Loaf and Anvil Rocks), Rushen.

Land at Sound, Rushen.

c 20 acres Meayll Hill, Meayll Circle, Rushen.

9.5 acres Kitterland, Rushen.

c 616 acres Calf of Man, Rushen.

c 20.5 acres Bradda Mooar, Port Erin, Rushen.

The Broogh, Santon.

## **Schedule of Trust Ownership Held in Isle of Man Government consolidated financial statements (unaudited)**

*as at 31 March 2019*

As set out in the Report of Trustees assets have historically been held in the Isle of Man Government consolidated financial statements whilst being registered to the Trust. This is being reviewed but in the meantime details are appended to present the full assets held by the Trust.

Friary Chapel, Arbory.  
Curraghs, Ballaugh.  
Land at Marine Drive, Braddan.  
Manx Museum, Douglas.  
Manx Museum (RC Cowley) - part of Museum extension site, Douglas.  
Manx Museum (AD Henry) - part of Museum extension site, Douglas.  
Manx Museum (CR Clague) - part of Museum extension site, Douglas.  
Manx Museum (TJ Boyde) - part of Museum extension site, Douglas.  
Manx Museum (CD Christian) small triangle, Douglas.  
Manx Museum - Co-Op Store, Douglas.  
Manx Museum (DHPP) Mona Terrace Lane - land now part of Furniture Store, Douglas.  
Manx Museum - 8 Mona Terrace Douglas (Tech's Workshop), Douglas.  
iMuseum, Kingswood Grove, Douglas.  
iMuseum garden, Douglas.  
5 Kingswood Grove, Douglas.  
7 Kingswood Grove, Douglas.  
9 Kingswood Grove, Douglas.  
13 Kingswood Grove, Douglas.  
15 Kingswood Grove, Douglas.  
Odin's Raven Museum (now House of Manannan), Peel, German.  
Land near Mill Road (now HoM overflow car park), Peel, German.  
Grove Museum (in Trust) and land, Lezayre.  
Land at Sulby Glen, Lezayre.  
Laxey Wheel and adjoining lands, Lonan.  
Land at Cronk e Chule, Laxey Wheel, Lonan.  
Castle Rushen, Malew.  
Rushen Abbey - Restaurant, Malew.  
Rushen Abbey - Land & Ruins, Malew.  
Unit 1, Large Object Store, Balthane, Malew.  
Peel Castle, Patrick.  
c 95 acres of land at Creggan Mooar, Patrick.  
Niarbyl House - Café, Patrick.  
Cummel Beg, Cregneash, Rushen.  
Creg-y-Shee, Cregneash, Rushen.  
Avoca, Cregneash, Rushen.  
Church Farm, Cregneash, Rushen.  
Greystones, Cregneash, Rushen.  
Cooilbane, Cregneash, Rushen.  
West View, Cregneash, Rushen.  
Thie Vaddrell, Cregneash, Rushen.  
Castruan, Cregneash, Rushen.  
Sound Café and land at The Sound, Rushen.  
Ivydene & Quirk's Croft, Cregneash, Rushen.

## Additional information (unaudited)

Sections applicable to the Manx Museum and National Trust from the Government Revenue Accounts are extracted below and full details are available at:

<https://www.gov.im/media/1366577/detailed-government-accounts-year-ended-31-mar-2019.pdf>



Isle of Man  
**Light Blue Book**  
**2018-19**



## Additional information (unaudited) (continued)

Isle of Man Government Detailed Accounts – Year Ended 31 March 2019



### 6.10 Manx Museum and National Trust

**Table 6.10a**

E000	INCOME & EXPENDITURE BY ORGANISATION														
	ACTUAL 2018-19			BUDGET 2018-19			VARIANCE TO BUDGET			ACTUAL 2017-18			VARIANCE TO LAST YEAR		
	Gross Spend	Gross Income	Net Spend	Gross Spend	Gross Income	Net Spend	Gross Spend	Gross Income	Net Spend	Gross Spend	Gross Income	Net Spend	Gross Spend	Gross Income	Net Spend
Manx Museum and National Trust	3,540	(1,095)	4,445	5,312	(861)	4,451	(228)	234	€	5,461	(1,059)	4,403	(78)	36	(42)
<b>Total</b>	<b>3,540</b>	<b>(1,095)</b>	<b>4,445</b>	<b>5,312</b>	<b>(861)</b>	<b>4,451</b>	<b>(228)</b>	<b>234</b>	<b>€</b>	<b>5,461</b>	<b>(1,059)</b>	<b>4,403</b>	<b>(78)</b>	<b>36</b>	<b>(42)</b>

**Table 6.10b**

E000	INCOME & EXPENDITURE BY CATEGORY					
	Actual 2018-19	Budget 2018-19	Variance to Budget	Actual 2017-18	Variance to 2017-18	
<b>INCOME</b>						
Operating Income	(988)	(799)	189	(652)	27	
Other Non-Trading Income	(106)	161	45	(57)	9	
<b>Total Income</b>	<b>(1,095)</b>	<b>(638)</b>	<b>234</b>	<b>(1,059)</b>	<b>36</b>	
<b>EXPENDITURE</b>						
Employee Costs	3,153	3,072	23	2,991	(162)	
Infrastructure Costs	716	547	(153)	555	(153)	
Transport Costs	-	-	-	2	2	
Supplies & Services	654	599	(55)	925	286	
Loan Charges	995	995	-	573	(20)	
Other Costs	30	-	(30)	-	(30)	
<b>Total Expenditure</b>	<b>5,540</b>	<b>5,312</b>	<b>(228)</b>	<b>5,461</b>	<b>(78)</b>	
<b>NET EXPENDITURE</b>	<b>4,445</b>	<b>4,451</b>	<b>6</b>	<b>4,403</b>	<b>(42)</b>	

#### Commentary

Increasing the generation of income continues to be a focus for Manx National Heritage (MNH) to assist in protecting assets and services. With continuing pressures on budgets, in particular for wage increases and significant increases in building service costs, income over budget has been used principally to maintain assets in accordance with statutory obligations. Additional revenue expenditure was also used to support retail stock purchase and curatorial responsibilities.

MNH did apply for, and received, additional property maintenance funding of £100k for three years from 2019/20. This is gratefully acknowledged. With higher than inflation increases in building service costs and ageing assets there will continue to be significant pressure on this area of expenditure.

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### Manx Museum & National Trust – capital programme

**Table 6.10c**

E000	CAPITAL EXPENDITURE BY SCHEME								
	CURRENT YEAR - 2018-19					TOTAL TO 31 Mar 18			
	Original Budget	Adjustments	Revised Budget	Actual	Variance	Budget	Actual	Variance	
Minor Capital Works	154	-	154	215	(61)	2,289	2,163	123	
Gallery Redisplay	190	-	190	130	(5)	1,534	1,308	226	
<b>Total</b>	<b>344</b>	<b>-</b>	<b>344</b>	<b>405</b>	<b>(66)</b>	<b>3,823</b>	<b>3,472</b>	<b>151</b>	

The gallery redisplay budget is a critical rolling investment in the galleries and curatorial facilities under MMNT's care. The major expenditure in the period was the completion of the new military history gallery at the Manx Museum.

The minor capital works budget has been used for a number of projects including major repairs to the Old Grammar School roof and windows to ensure the building is weather tight. Waterproofing and roof work was also undertaken at Castle Rushen flag tower. Final work was also undertaken on Quirks Croft.

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