



**THE FRIENDS OF MANX NATIONAL HERITAGE
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

THE FRIENDS OF MANX NATIONAL HERITAGE



COMPANY INFORMATION

Directors	Mrs M C Bridson Mr W H Shimmin Ms H Leigh Mr M Crowe Ms A Moore Ms V Fayle Mrs C Lovel (Appointed 7 October 2021) Mr E C Southworth (Retired 8 July 2021) Mr D Bellamy (Appointed 7 October 2021 and Retired 13 November 2021) Mr I Young (Appointed 7 October 2021 and Retired 13 November 2021)
Secretary	Mrs N J Pemberton
Company number	122324C
Registered office	The Manx Museum Kingswood Grove Douglas Isle of Man IM1 3LY
Auditor	Crowe Isle of Man Audit LLC 6th Floor Victory House Prospect Hill Douglas Isle of Man IM1 1EQ
Bankers	Isle of Man Bank Limited PO Box 13 2 Athol Street Douglas Isle of Man IM99 1AN
Correspondence address	Ballachrink Mill Old Castletown Road Santon Isle of Man IM4 1HE



CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 11

THE FRIENDS OF MANX NATIONAL HERITAGE



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Principal activities

The company is a registered charity, number 1027, under the Charities Registration and Regulation Act 2019.

The objects of the Charity are:

- the advancement and promotion of the aims and work of the Manx Museum and National Trust (known as Manx National Heritage) established pursuant to the Manx Museum and National Trust Act 1959 (as amended); and
- the acquisition or contribution towards the acquisition, after consultation and agreement with the said Manx Museum and National Trust, of suitable exhibits and property for use and display.

During the year, the Charity continued to achieve its objectives and paid £94,530 (2021: £50,127) to Manx National Heritage for a range of projects.

Going forward, the directors plan to continue to work with Manx National Heritage, donating funds to continue to assist Manx National Heritage achieve its objectives.

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Mrs M C Bridson

Mr W H Shimmin

Mr E C Southworth

(Retired 8 July 2021)

Ms H Leigh

Mr M Crowe

Ms A Moore

Ms V Fayle

Mr D Bellamy

(Appointed 7 October 2021 and retired 13 November 2021)

Mr I Young

(Appointed 7 October 2021 and retired 13 November 2021)

Mrs C Lovel

(Appointed 7 October 2021)

No directors were employed by the Charity during the year.

Results and dividends

The deficit for the year drawn from reserves was £49,342 (2021: £2,066). No dividend was paid during the current or prior year.

Auditor

Crowe Isle of Man Audit LLC was appointed auditor to the company and in accordance with the Companies Acts 1931 to 2004, a resolution proposing that they be reappointed will be put to the Annual General Meeting.

THE FRIENDS OF MANX NATIONAL HERITAGE



DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts 1931 to 2004 and the Charities Registration and Regulation Act 2019. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr W H Shimmin
Director

30/9/22
Date



THE FRIENDS OF MANX NATIONAL HERITAGE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FRIENDS OF MANX NATIONAL HERITAGE

Opinion

We have audited the financial statements of The Friends of Manx National Heritage (the 'company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 March 2022 and of its deficit 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 Companies Acts 1931 to 2004 and the Charities Registration and Regulation Act 2019.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, 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 directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Companies Acts 1931 to 2004 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or 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 accounting records and returns; or
- certain disclosures of directors' loans and remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



THE FRIENDS OF MANX NATIONAL HERITAGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE FRIENDS OF MANX NATIONAL HERITAGE

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We considered the opportunities for non-compliance with the key laws and regulations affecting the company. We identified the Companies Acts 1931 to 2004 and the Charities Registration and Regulation Act 2019 as the primary pieces of legislation and regulation affecting the entity. We reviewed the board minutes to conclude whether there have been any activity in the company which is required to be disclosed under this legislation.
- We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, management override in the manipulation of financial information and management bias in the use of estimates. We discussed these risks with the company's management and designed audit procedures to mitigate the risks identified. These included tests on the timing and recognition of income, testing a sample of journals to confirm they were appropriate for the transactions noted in the year and reviewing the design and implementation of the controls in significant financial systems. We also reviewed management's judgements in key accounting estimates to ensure there was no indication of management bias and the rationale used by management was reasonable.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE FRIENDS OF MANX NATIONAL HERITAGE



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE FRIENDS OF MANX NATIONAL HERITAGE

Use of our report

This report is made solely to the company's member in accordance with Section 15 of the Companies Act 1982. Our audit work has been undertaken so that we might state to the company's member 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 company and the company's member for our audit work, for this report or for the opinions we have formed.

Crowe Isle of Man Audit LLC

Crowe Isle of Man Audit LLC
Chartered Accountants

6th Floor
Victory House
Prospect Hill
Douglas
Isle of Man
IM1 1EQ

30 September 2022

Date

THE FRIENDS OF MANX NATIONAL HERITAGE



STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Income resources			
Membership subscriptions		82,418	83,407
Donations		7,356	19,425
Events income		8,724	3,647
Bank interest received		285	1,065
Sundry income		10	25
Total incoming resources		<u>98,793</u>	<u>107,569</u>
Resources expended			
Administrative expenses		(53,605)	(50,127)
Heritage awards		(94,530)	(59,508)
Total resource expended	3	<u>(148,135)</u>	<u>(109,635)</u>
Deficit for the financial year	10	<u><u>(49,342)</u></u>	<u><u>(2,066)</u></u>

THE FRIENDS OF MANX NATIONAL HERITAGE

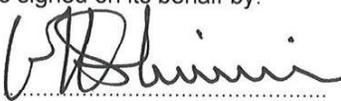


BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	6	930		-	
Cash at bank	7	675,049		720,287	
		675,979		720,287	
Creditors: amounts falling due within one year	8	(43,873)		(37,765)	
Net current assets			632,106		682,522
Creditors: amounts falling due after more than one year	9		(57,896)		(58,970)
Net assets			574,210		623,552
Reserves					
Unrestricted funds	10		574,210		623,552

The financial statements were approved by the board of directors and authorised for issue on 30/3/22 and are signed on its behalf by:


 Mr W H Shimmin
 Director


 Ms V Bayle
 Director

THE FRIENDS OF MANX NATIONAL HERITAGE



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

The Friends of Manx National Heritage is a private company limited by guarantee (company number 122324C) incorporated in the Isle of Man. The registered office is The Manx Museum, Kingswood Grove, Douglas, Isle of Man, IM1 3LY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of applicable Isle of Man law. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

On the 11 March 2020 the World Health Organisation declared the COVID-19 outbreak a World pandemic. This led to the Isle of Man Government to implement an Island-wide lockdown on 16 March 2020 which included all Manx National Heritage sites, which lasted to the summer of 2020. There were further lockdowns during January to April 2021.

The directors note that the continuing impact of the pandemic during the 2021/2022 financial year will impact both subscription and donation income meaning a fall in cash receipts. However, the impact of the pandemic going forward should reduce as the Island continues its reopening the borders and local community alike. The directors are confident that current cash reserves are sufficient to absorb the estimated fall in income. Therefore, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Subscriptions and event income is taken to the statement of financial activities for the period to which it relates. Such income received in advance is deferred and recognised over the subsequent period.

Bank interest and donations are accounted for on a receivable basis.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trailer	5 years straight line basis
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1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.



THE FRIENDS OF MANX NATIONAL HERITAGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include accrued income and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in surplus or deficit.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities which represent creditor balances other than deferred income, are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating deficit

	2022	2021
Operating deficit for the year is stated after charging/(crediting):	£	£
Audit fees	938	750

The auditor, Crowe Isle of Man Audit LLC, carries out its work in return for corporate membership. The deemed subscription income is included in "Membership subscriptions" and the cost is included in "Administrative expenses" in the statement of financial activities.

THE FRIENDS OF MANX NATIONAL HERITAGE



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Taxation

The company is subject to taxation in the Isle of Man at 0% (2021: 0%).

5 Tangible fixed assets

Carrying amount

At 31 March 2022

At 31 March 2021

6 Debtors: amounts falling due within one year

	2022	2021
	£	£
Accrued interest	930	-

7 Cash at bank

From the cash held at bank the directors have agreed to make payments to Manx National Heritage when called upon to do so in respect of the following projects:

	2022	2021
	£	£
TT Museum	4,392	48,392
"Peggy" workshop fit out	-	12,880
Professor Bucke legacy	12,912	51,442
Thornbank project	-	275,858
	<u>17,304</u>	<u>388,572</u>

The directors do not consider these to be restricted funds.

8 Creditors: amounts falling due within one year

	2022	2021
	£	£
Deferred income	43,873	37,765

9 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Deferred income	57,896	58,970



THE FRIENDS OF MANX NATIONAL HERITAGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Unrestricted funds	2022	2021
	£	£
At the beginning of the year	623,552	625,618
Deficit for the year	(49,342)	(2,066)
At the end of the year	<u>574,210</u>	<u>623,552</u>

THE FRIENDS OF MANX NATIONAL HERITAGE



DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Income		
Membership subscriptions	82,418	83,407
Donations	7,356	19,425
Events income	8,724	3,647
Bank interest received	285	1,065
Sundry income	10	25
	<hr/>	<hr/>
	98,793	107,569
Administrative expenses		
Wages and salaries	41,387	39,456
Heritage awards	94,530	59,508
Premises insurance	331	517
Audit fees	938	750
Printing, postage and stationery	7,808	4,918
Events expenses	841	1,724
Subscription collection charges	2,300	2,762
	<hr/>	<hr/>
	(148,135)	(109,635)
Operating loss	<hr/> <hr/>	<hr/> <hr/>
	(49,342)	(2,066)
