



**Thirteenth Report
Of the
Manx Lottery Trust**

**Annual Report and Financial Statements
For the year ended
31st March 2021**

Trustees and Officers

Trustees

- | | |
|--------------------|--|
| Mrs S Kelly | - appointed 18 th March 2016
(Reappointed May 2020) |
| Mr G R Peake MHK | - appointed 20 th January 2017 |
| Ms N Plumley | - appointed 23 rd June 2017 |
| Mrs H Summerscales | - appointed 23 rd November 2018 |
| Mrs S Pearce | - appointed 23 rd November 2018 |
| Mr S J Turner | - appointed 8 th January 2021 |

Secretary/Treasurer

- | | |
|------------------|--|
| Mr T Butler ACIB | - appointed 1 st October 2010 |
|------------------|--|

Grants Officer

- | | |
|----------------|---|
| Mrs B J Craine | - appointed 1 st February 2009 |
|----------------|---|



7 Auckland Terrace
Parliament Street
Ramsey
IM8 1AF

(Isle of Man Registered Charity Number 1021)

THIRTEENTH REPORT

The Trustees present their annual report and financial statements of the charity for the year ended 31st March 2021.

Structure, governance and management

The Manx Lottery Trust is an Isle of Man registered charity, number 1021, and is an independent charitable trust constituted under a trust deed dated 21st May 2008.

The objects of the Trust are:

- a) the relief of poverty
- b) the relief of elderly persons
- c) the relief of ill or disabled persons
- d) the advancement of education and
- e) any other purpose beneficial to the community.

The Trust carries out these objects by providing grants to appropriate institutions and individuals. The benefit of any grant must be for a person or persons ordinarily resident in the Isle of Man.

There are six Trustees, five of whom are appointed by the Trust with Treasury concurrence. The sixth Trustee is a Member of Tynwald appointed by the Treasury Minister to serve on the Trust. The Trustees do not represent specific areas but are generally appointed in such a way as to provide a geographical spread of knowledge of needs and provision throughout the Island.

Upon appointment Trustees are provided with written information outlining the six main Trustee duties, a copy of the Trust Deed with operational rules, and the latest Annual report and Financial Statements. Additionally, they have access to online training which includes gaining a better understanding of key legal duties and areas of potential liability. Each Trustee signs a Declaration of Willingness and Acceptance and completes a Conflict of Interest form which is updated annually.

To ensure Trustees are kept abreast of developments regarding the legal and other obligations of Manx Lottery Trust as a Registered Charity, and resultant obligations of the Trustees, relevant information is loaded to a dedicated Trustee area of the Trust's website which can be accessed by Trustees at any time.

At Trustee meetings held every six to eight weeks, the Trustees agree the areas of activity for the Trust, including consideration of grant making, grant policy, balances available for distribution, the National Lottery Community Fund reporting requirements, risk management policies and performance. The day-to-day administration of grants and the processing and handling of applications prior to consideration by the Trustees is delegated to the Secretary and the Grants Officer.

Manx Lottery Trust

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Trustees are required to disclose all relevant interests and register them with the Secretary and in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The Trustees have adopted the following order of retirement for the present Trustees:

Mrs S Kelly	Appointed 18 th March 2016	Retirement 20 th May 2024
Mr G R Peake MHK	Appointed 20 th January 2017	Retirement 20 th May 2021
Ms N Plumley	Appointed 23 rd June 2017	Retirement 20 th May 2022
Mrs H Summerscales	Appointed 23 rd November 2018	Retirement 20 th May 2023
Mrs S Pearce	Appointed 23 rd November 2018	Retirement 20 th May 2023
Mr S J Turner	Appointed 8 th January 2021	Retirement 20 th May 2025

NB: Mr G R Peake MHK, Ms N Plumley, Mrs H Summerscales and Mrs S Pearce are eligible to serve further 5-year terms.

Risk management

The Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks. A Risk Register is maintained and reviewed on a regular basis.

Income and expenditure

The Isle of Man Budget 2020/21 made provision for the Manx Lottery Trust to receive the first **£150,000** of Lottery Duty, the same amount as the previous year.

In accordance with the External Delegated Agreement (EDA) between Big Lottery Fund and the Manx Lottery Trust, a grant of **£600,000 from The National Lottery Community Fund (TNLCF)** was available for distribution on the Island.

During the year a total of **£1,572,916** was available for distribution, made up from the following: Cash at bank **£750,159** (excluding the £12,222 retained in an Emergency Fund financed by the Trust and administered by the Department of Health and Social Care), Government grants £212,500, TNLCF £600,000, returned grants £10,122, and bank interest £135.

During the year the Trustees made **grant payments totalling £685,911 to 57 organisations** as listed in the notes of the attached financial statements, together with **£66,015 of non-grant payments** by way of administration, public relations, and website costs.

Income and expenditure (continued)

At the **year-end** the available **cash balance** stood at **£820,990** (excluding £180 retained in an Emergency Fund financed by the Trust until 31st March 2020 and administered by the Department of Health and Social Care. From this figure the sum of **£432,470 was already committed by the Trustees** for payment to organisations upon completion of formalities. Of this figure, **£351,470 related to grant offers and commitments made under the Community Awards Programme** as Delegated Partner of The National Lottery Community Fund.

The **balance available for distribution** at the year-end, and **carried forward** to the 2021/22 financial year, was **£388,570**.

Grant awards

The Trustees held seven formal meetings during the year to consider applications for assistance under the following programmes:

1. **Smaller Grants** (£300 to £2,500)
2. **Community Awards** (£2,501 to £50,000) as delegated partner of the National Lottery Community Fund.
3. **Island Community Fund** (£300 to £25,000 with a match funding requirement of 30/70 for charities and 50/50 for other organisations)

The Trustees continue to endeavour to exercise their powers in a fair and helpful way with the aim of supporting as many deserving causes throughout the Island as possible.

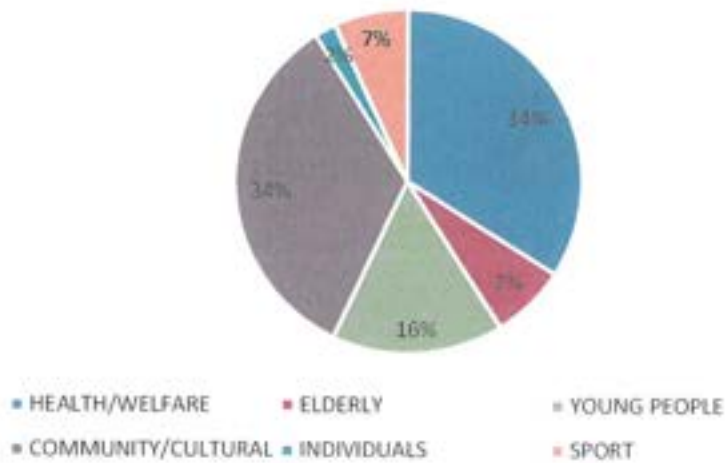
Applications are carefully assessed with the aim of providing consistency in the consideration of all grant applications. Guidance notes and application forms for current programmes are available to download from the Trust's website.

A list of the recipients of **grants paid** during the year ended 31st March 2021, totalling **£685,911**, forms Note 3 attached to the financial statements. Of this figure, **£534,971 was paid from designated National Lottery Funds** under the Community Awards Programme.

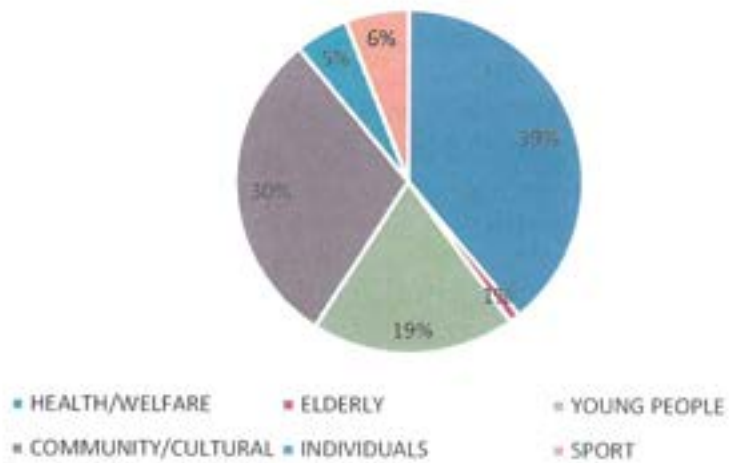
The distribution split of grants paid is shown in the following charts which demonstrate the types of assistance provided by the Manx Lottery Trust over the past two years to diverse charitable causes in the Island.



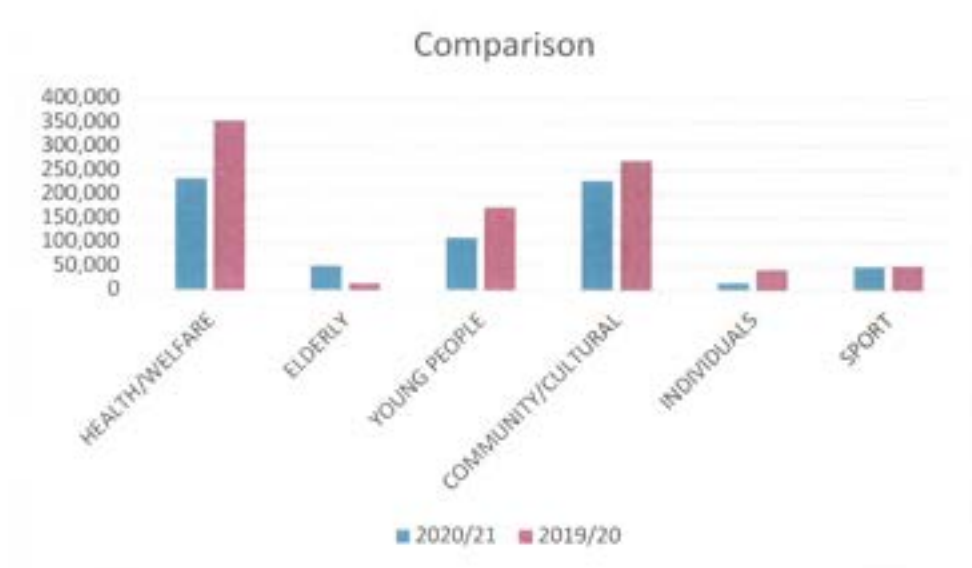
Percentage Distribution 2020/21



Percentage Distribution 2019/20



NB: The category Health/Welfare includes disability, and the Elderly category includes Coal Funds & Endowments.



The above chart compares the funding awarded to each category over the last two years.

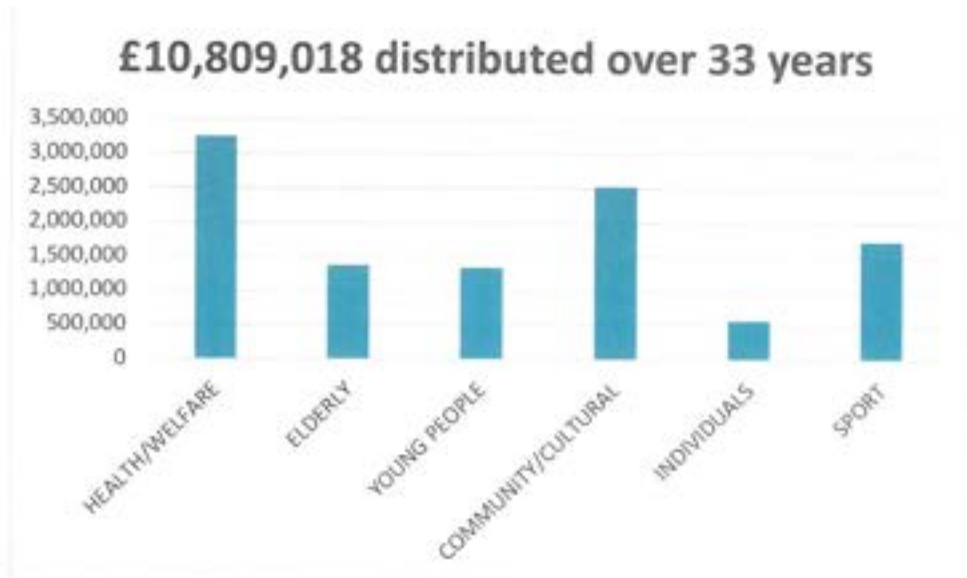
Elderly

The amounts awarded to Coal Funds and Endowment Committees, included in the Elderly category, were calculated at £70 per household during 2020/21, the same level as the previous year.

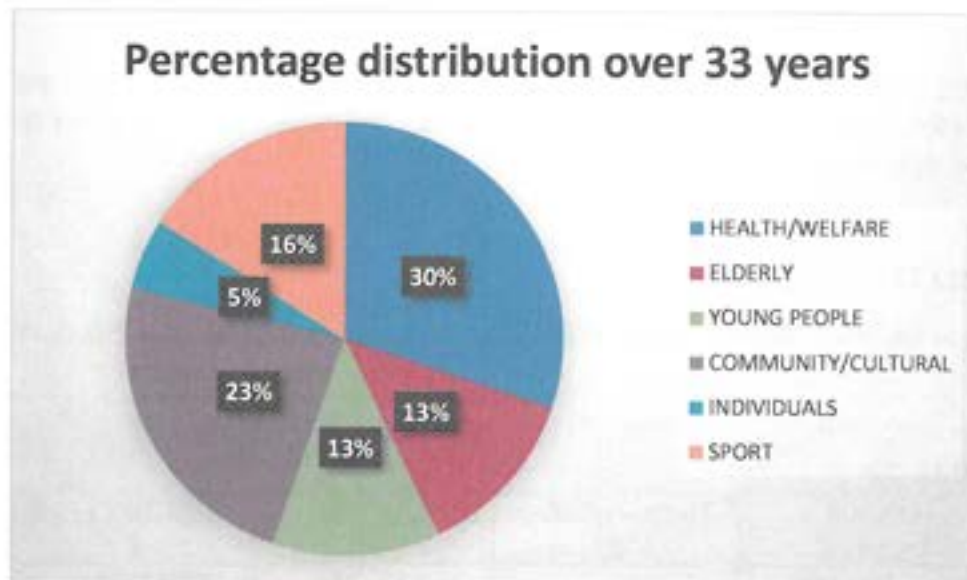
Individuals

The current programmes do not allow the Trust to fund individuals. However, during the year a grant of £15k was awarded to Housing Matters to allow them to offer help in emergency situations to individuals who are existing clients, and in line with the agreed set parameters.

The following charts give the distribution split of total grants made over the last 33 years by both the Public Lottery Trust and the Manx Lottery Trust and evidence the endeavours of the Trustees to support, with fair balance, a wide range of deserving causes throughout the Island.



NB: The category Health/Welfare includes disability, and the Elderly category includes Coal Funds & Endowments.



Beneficiary Logo:

Recipients of grants under the Community Awards Programme must use the beneficiary logo below to acknowledge and celebrate the award of National Lottery funding from us. A booklet entitled Manx Lottery Trust "Acknowledging Funding" is provided.



Our website www.mlt.org.im provides information about the Trust. All current programme applications and guidance notes are available to download. The latest news is given in headlines for regular visitors to the site.

Manx Budget 2021/22

The allocation to good causes resulting from Lottery Duty was published in the Manx Budget 2021/22.

Grants payable 2021-22

Organisation	National Lottery £	Treasury/Other £	Lottery Duty £	Total 2021/22 £
Manx Lottery Trust	600,000	-----	150,000	750,000
Sports Council	-----	21,000	480,000	501,000
Arts Council	-----	99,000	440,000	539,000
Culture Vannin	-----	100,000	330,000	430,000

Chairman's summary

It has without doubt been a difficult time within our small community due to Covid 19 and its restrictions, with many charitable events postponed or cancelled which stopped cash flow for many organisations. We did have 6 months of no lockdown restrictions between July 2020 and December 2020, and whilst our borders remained closed this was an opportunity for residents to lead a "normal life", however, the restrictions were back for January to March 2021.

That said, Manx Lottery Trust (MLT) did not receive the influx of applications that we had anticipated as many charities just stopped in-line with Government guidelines, and those that could not cease activities have relied upon their reserves to continue to deliver their services in whichever way they could. The Island remains as resilient as ever and the Islands motto, in Latin, "Quocunque Jeceris Stabit" or in English, "Whichever way you throw us we will stand", has never been more evident.

We were delighted to see Stephen Turner return to live in the Island late 2020. He had to cut short his term of office in 2016, and so at his request and with the necessary concurrence, Stephen was welcomed back onto the Trust board in January, via Zoom of course. Thanks for re-joining us Stephen, and to all the Trustees, thank you all for your time and efforts in what has been the most unusual year.

Covid 19 inevitably delayed the Dormant Assets fund being sent to us, however they did arrive in April 2021, and we are thrilled to have another pot to distribute to help those in need across the Island.

I must give thanks to Trevor and Breda for their hard work both in and out of lockdown, their usual working patterns were altered, and visits were delayed or completed by phone or zoom. I hope that the project visits will start up again now we are in the "new normal".

Thanks also to The National Lottery Community Fund, as they have also given us lots of guidance, and whilst our usual annual visit from them has been delayed, we have got to know our new Funding Officer via Zoom too.

I am certain that now that the borders have opened and that people have a chance to sit back and see what they have achieved during lockdown, and what changes they perhaps need to make to future proof themselves, we shall have a deluge of applications coming to us, and, of course, we will be oversubscribed. I am however 100% confident that the MLT team will give each application their fullest consideration and that the right decisions will be made.

Finally, I would like to again thank PricewaterhouseCoopers LLC, Sixty Circular Road, Douglas for their continued support in acting as Independent Auditor to the Trust. Their help and guidance are, as always, very much appreciated.

Signed



Mrs Sarah Kelly, Chairman

Manx Lottery Trust

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2020-2021		2019-2020	
		£	£	£	£
Government grants	162	212,500		337,500	
From TNLCF	162	600,000		621,675	
Interest		135		2,018	
Grants returned: MLT		7,122		-	
TNLCF		3,000		-	
		-----		-----	
			822,757		961,193
Less:					
Grant expenditure MLT	3	150,940		354,282	
Grant Expenditure TNLCF	3	534,971		555,458	
Movement in committed grants	1	(265,107)		28,947	
Non grant expenditure	4	66,015		76,717	
			(486,819)		(1,015,406)
			-----		-----
Net movement in funds			335,938		(54,213)
			-----		-----
Fund account brought forward			52,632		106,843
			-----		-----
Balance available for distribution	6		388,570		52,632
			-----		-----

The notes on pages 14 to 17 form part of these financial statements.

Manx Lottery Trust

BALANCE SHEET AT 31 MARCH 2021

		2020-2021	2019-2020
Assets:			
Cash at bank	5	820,990	750,159
Petty cash		50	50
		-----	-----
Total assets		821,040	750,209
Liabilities:			
Committed and earmarked grants due within 1 Year	1		
MLT		(81,000)	(147,674)
TNLCP		(226,470)	(357,103)
		-----	-----
Net current assets		513,570	245,432
Committed and earmarked grants due after 1 year			
TNLCP		(125,000)	(192,800)
		-----	-----
Net assets		388,570	52,632
		-----	-----
Represented by:			
Fund account	6	388,570	52,632
		-----	-----

The notes on pages 14 to 17 form part of these financial statements.

The financial statements on pages 12 to 17 have been approved by the Trustees on the 6th August 2021 and signed on their behalf by:

 Mrs Sarah Kelly (Trustee)

 Mr Trevor Butler (Secretary)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Note 1

The financial statements have been prepared in accordance with the Charity Regulations 2020 and United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102"), Section 1A, applicable to small entities, and the '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 2019)' (the "SORP"). The financial statements of the Manx Lottery Trust (the "Charity") are prepared under the historical cost convention and on an accruals basis in order to comply with FRS 102 and the SORP.

The Charity's registered office is 7 Auckland Terrace, Parliament Street, Ramsey, Isle of Man, IM8 1AF.

A summary of the more important accounting policies, which have been applied consistently, is set out below:

Government and The National Lottery Community Fund grants

Government and The National Lottery Community Fund grants are accounted for on a receivable basis when the charity has probable and measurable entitlement to the income (i.e., the conditions for its award are satisfied)

Grant expenditure

Grant expenditure represents grants paid in the year.

Committed and earmarked grants

Committed and earmarked grants represent the provision made for funds that had been committed or earmarked for payment by the Trustees, but which had not been paid at 31 March 2021. They are recognised as a liability when an obligation arises to transfer economic benefits as a result of past events.

Note 2

In the year ended 31 March 2021 the Manx Lottery Trust received a total of **£212,500** (2020: £337,500) from the Treasury Isle of Man, being £150,000 in respect of a prescribed share of betting duty received from the UK National Lottery and £62,500 being final payment of a one-off sum of £250,000 made available in the Manx Budget 2019/20.

The National Lottery Community Fund has agreed that the Manx Lottery Trust can distribute its funds to local causes as an "Award Partner" and payments of **£600,000** (2020: £621,675) were received during the year ended 31 March 2021.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(continued)

Note 3

Arbory Endowments Committee
Arbory Allotments Association
Ballasalla Netball Club
Ballaugh Endowments Committee
Crossroads
Cruse Bereavement IOM
Douglas Lawn Tennis Club
Family Library
Grai
Groudle Glen Railway Ltd
Helpout.im
Housing Matters IOM
IOM Art Society
IOM Foodbank
IOM Live at Home Schemes
IOM Orienteering Klubb
IOM Poetry Society
IOM Southern Agricultural Society
Jurby Endowments
Jurby & Northern Community Initiatives
Malew Endowments
Manor Park Primary School
Manx Bat Group
Manx Carriage Driving 4 Disabled
ManxSPCA
Manx Wild Bird Aid
Manx Wildlife Trust
MCH Psychological Services
Michael Endowments Committee
Mooijer Veggey
2nd Onchan Scout Group
Onchan Endowments Committee
Peel Youth Club
Port Erin Tennis Club
Pulrose Youth Club
Quing
Ramsey Grammar School
Ramsey Town Commissioners
Relate IOM
Rob Vine Fun

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Rushen Endowments Committee
 Sailing for Disabled
 Santon Endowments Committee
 Scout Council IOM
 Southern Community Initiatives
 Space4Action
 St Christopher's IOM
 St German's Cathedral
 St German's Foundation for Music and the Arts
 St John's Youth Group
 The Children's Centre
 The Friends of St Jude's Church
 The Friends of Jurby Church
 The friends of Malew Church
 The Milntown Trust
 Victim Support IOM
 Visit Port Erin

Note 4

Non-Grant Payments were made as follows:

	2021	2020
	£	£
Officers' Salaries	47,135	44,303
Office Expenses	5,252	15,651
Public relations/website	11,365	14,420
Insurance	1,685	1,503
Miscellaneous Expenses	97	297
Bank charges	481	543
	<hr/>	<hr/>
Total	66,015	76,717

Note 5

The cash at the bank at 31 March 2021 totalled **£821,170** (2020: £762,431) which included the £180 (2020: £12,222) held in a bank account financed by the Trust until 31st March 2020 and operated by the Department of Health and Social Security (DHSC) on behalf of the Trustees to make emergency payments to needy individuals. The Trustees decided this arrangement with DHSC would end with effect from 31st March 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(continued)

Note 6

The balance available for distribution represents an unrestricted fund available for use at the discretion of the Trustees subject to the terms of the Trust deed.

Note 7

No Trustee has received any remuneration for services during the year.

Note 8

Under FRS 102 Section 1A the Charity is exempt from the requirement to produce a cash flow statement on the grounds that it is a small entity.

Note 9

The Charity is exempt from Manx income tax pursuant to Section 15(a) of the Income Tax Act 1970.

Note 10

The Trustees consider there is no ultimate controlling party.

Note 11

There have been no related party transactions during the year (2020: none).

Note 12

The Charity received a benefit in kind estimated at £3,500 (2020: £3,500) in respect of professional services rendered by PricewaterhouseCoopers LLC (Independent auditor) for auditing these accounts without charge.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable Isle of Man law and regulations.

Isle of Man law requires the Trustees to prepare financial statements for each financial year which comply in their form and content with regulations made under Section 27 of the Charities Registration and Regulation Act 2019.

In preparing the financial statements, the Trustees are responsible for:

- selecting suitable accounting policies and then applying them consistently,
- making judgements and estimates that are reasonable and prudent,
- stating whether applicable UK accounting standards, comprising FRS 102 (Section 1A) have been followed, subject to any material departures disclosed and explained in the financial statements,
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in its activities, and
- preparing financial statements which give a true and fair view of the financial position of the charity and of the performance of the charity for that period.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the assets and liabilities of the charity and to enable them to ensure that the financial statements comply with the Charities Regulations 2020. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Agreed by the Trustees and signed on their behalf by

6th August 2021



Mrs Sarah Kelly (Trustee)

Independent auditor's report to the trustees of The Manx Lottery Trust

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of The Manx Lottery Trust (the "Charity") as at 31 March 2021 and of its financial performance for the year then ended in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A.

What we have audited

The Charity's financial statements comprise:

- the balance sheet as at 31 March 2021;
- the statement of financial activities for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Charity in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The other information comprises all of the information in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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 identified above 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, 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.

Responsibilities of the trustees for the financial statements

The trustees are responsible for the preparation of the financial statements that give a true and fair view in accordance with United Kingdom Accounting Standards and Isle of Man law, 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 trustees are responsible for assessing the Charity'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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for overseeing the Charity's financial reporting process.

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 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report to the trustees of The Manx Lottery Trust (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees' regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report, including the opinion, has been prepared for and only for the trustees as a body in accordance with Section 27 of the Charities Registration and Regulation Act 2019 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLC

PricewaterhouseCoopers LLC
Sixty Circular Road
Douglas, Isle of Man

6th August 2021