

Readers may recall that draft accounts for the Isle of Man Circuit for the year to 31 August 2016 were placed on the website prior to the June 2017 Circuit Meeting. A resolution approving the accounts was passed at the meeting, and Rev'd Richard Hall and Colin Clark signed the accounts and sent to the auditors. The auditors then enquired whether there had been any significant events since 31 August 2016, a standard procedure before they sign off the accounts, but usually a formality.

On this occasion, we had to advise them that the sale of Croit-e-Caley Chapel had been completed, at a selling price significantly below the insured value (such value being based on the cost of reinstatement) at which insured value the property had been carried on our books. We further advised the auditors that a sale of Willaston Chapel had been negotiated, and that plans were in place to sell our Peel and Ramsey Manses. All at prices expected to be considerably below their insured and book values.

Changes in relevant accounting standards have recently come into force, with which both we and our auditors must comply. After considerable research and consulting, we and the auditors agreed that insured values remained valid for properties that we intended to retain; however, at the point that a decision to dispose of a property is taken, the anticipated net proceeds should be taken, if lower than insured value. Thus, it was felt that the drop in the value of the four aforementioned properties must be shown in the 2017 accounts. So the revised accounts are now on the website, showing a property valuation approximately £1,000,000 less than the previous draft version.

However, I would state that this is a book entry, and does not represent a loss of cash. Eddie Teare and I are happy to take you through the accounts, on an individual basis, if that would help, as it is a technical matter.

Yours sincerely

Colin Clark