MANX DEVELOPMENT CORPORATION MANAGEMENT SYSTEM

FINANCIAL GOVERNANCE POLICY

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Author:	[redacted]
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Policy Approver:	MDC Board
Procurement Processes Owner:	D. Harrop
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Access permissions:	All MDC employees, Shareholder and Auditors Third party access upon approval from the Board

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Manx Development Corporation Ltd.
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1. Purpose, Scope and Applicability of this Policy

1.1 Purpose of this Policy

The purpose of the Manx Development Corporation (MDC) Financial Governance Policy is to ensure that:-

- the MDC Board meets its legal duties to safeguard the Company's assets;
- the Company's finances and assets are managed in a way that identifies and manages risk effectively;
- appropriate financial reporting is in place, based on accounting records that are fit-for-purpose, prepared in timely way and contain accurate and relevant financial information for internal and external scrutiny;
- the MDC Board has implemented the necessary internal controls, policies and procedures to prevent bribery and corruption, fraud, tax evasion and money laundering and provides Treasury with an annual Statement of Internal Control signed by the Managing Director and submitted to the IOMG's Chief Financial Officer.
- the principles of "**Best value for Money"** and **"Sustainable Procurement"** are an integrated part of MDC's approach to financial governance.

1.2 Scope of this Policy

This Policy shall inform Board discussions, decisions and operations, external contractual relationships and performance measurement systems. This policy covers all wholly owned Special Purpose Vehicles (SPVs).

Manx Development Corporation is not defined by the Isle of Man Government (IOMG) as a "Designated Body". Therefore, MDC is not obliged to include the IOMG Financial Regulations 2019. However, the MDC Board is fully committed to robust and ethical financial stewardship.

In all circumstances where MDC is using Government shared services, such as audit provision and insurance cover, MDC expects the shared service provider to adhere to relevant Government financial processes and rules pertaining to those services.

1.3 Applicability of this Policy

The MDC Financial Governance Policy applies to all MDC Directors, Executive Management Team, all staff and secondees, as well as any agent(s) procured by MDC to represent the professional interests of MDC in any way. Adhering to this Policy is mandatory and transgressions may result in disciplinary or contractual legal action. Breaches of this Policy should be reported to the Managing Director and the risks associated with breaches will be assessed within the context of the MDC Risk Register.

This Policy may be shared with the Shareholder and Auditors. Access by third parties is subject to Board approval.

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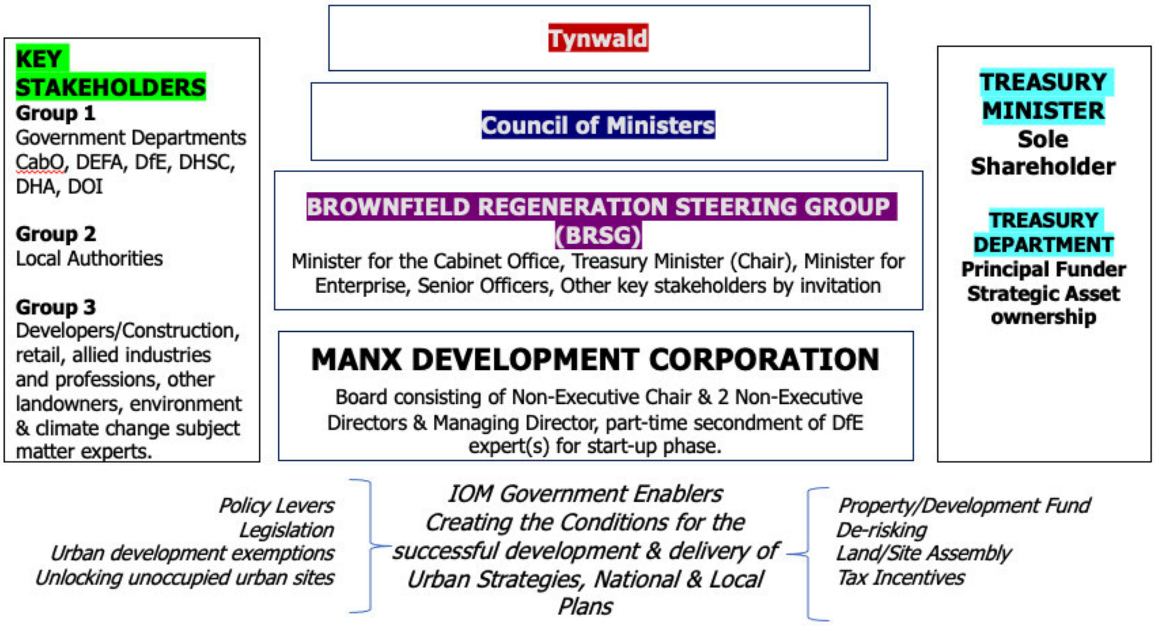
2. Financial Governance Roles/Responsibilities & Delegated Authority

2.1 The Shareholder/Brownfield Regeneration Steering Group (BRSG)

The MDC Board is accountable to the Shareholder who chairs the Brownfield Regeneration Steering Group, from whom the MDC receives its Strategic Direction. The MDC Governance model in which Financial Governance sits is illustrated below. In addition to setting MDC's Strategic Direction, the BRSG ensures that MDC is held accountable for its Financial Governance as part of the BRSG quarterly reporting process:



2.2 The MDC Board

"The MDC Board" refers to the Non-Executive Directors and the appointed Executive Management to the Board (at the time of writing this Policy, this is the Managing Director). It is the Board's obligation to ensure sound financial governance starting with the approval of the associated policies, systems, processes and procedures and continuously holding the MDC Executive management team to account through the receipt of accurate data pertaining to financial performance and internal controls.

The Non-Executive Director for Finance and Governance is also the Chair of the Audit and Risk Committee and acts as the Company Secretary.

The Chair of the MDC Board represents the Board at the Brownfield Regeneration Steering Group meetings and also acts as the line manager for the Managing Director.

2.3 The Audit and Risk Committee

This Committee is formed of the non-executive directors of the Company. The different duties of the Committee are encompassed within the following headings:

- Financial Reporting
- Narrative Reporting

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- Ongoing Viability
- Internal Controls and Risk Management Systems
- Compliance, Whistleblowing and Fraud
- Internal Audit
- External Audit

These duties are set out in more detail in the Committee's Terms of Reference.

2.4 The Managing Director (MD)

The Managing Director (MD) refers to the person appointed by the Board to perform MDC's strategy implementation and operational delivery and reporting. In terms of financial governance, this person is the primary budget holder and also signs the annual Statement of Internal Control.

The MD is authorised and responsible for the management of the Company and financial operations by way of delegated authority from the MDC Board, as defined in the *Reserved Powers to the Board Policy*, *MDC's Procurement Policy* and within the MD's *role specification*.

This delegated authority includes the responsibility for managing the Company's budget, accounts, cashflow and internal control and reporting mechanisms. In terms of signing and spending authority, the MDC Board has indicated the following limits of expenditure, which are set out in more detail in the Procurement Policy.

POSITION	SIGNING & SPENDING LIMIT WITHOUT BOARD APPROVAL	REQUIREMENT FOR BOARD SCRUTINY AND APPROVAL
	Per annual value of any contract / purchase	
MDC Board		All expenditures of £5000 and above require the approval of all Board members. In cases where consensus to approve or refuse is not achieved, the Chair will have the casting vote.
Managing Director	Up to £4999.00 (each expenditure over £500.00, not already agreed via contract spend or payroll related, should be noted and justified in the MD's monthly report to the Board)	Equal to or more than £5000

3. MDC's Financial Governance Code of Conduct

MDC's Code of Conduct, which mirrors that of the IOMG[1], is a key component of the company's approach to achieving sound financial governance. All MDC employees shall adhere to this Code, which consists of MDC's Corporate Values; *Respect, Integrity, Innovation & Collaboration* and the Isle of Man Government's Financial Values; *Regularity, Propriety and*

Value for Money, in which the potential benefits for the local economy, social value, and the impact on sustainability and the environment are all integral parts of the Value.

[1] https://www.gov.im/media/1357797/corporate-governance-principles-and-code-of-conduct.pdf

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3.1 The MDC Corporate Values within Financial Governance

Respect: MDC employees' conduct and approaches to internal and external relationships and transactions shall, at all times, be based on non-discrimination and non-exploitation. Furthermore, MDC employees will not enter into any commercial arrangements/agreements where the other party is suspected of, or known to, discriminate or exploit its workforce or its suppliers/service providers or customers. *MDC's Anti-slavery and Human Trafficking Policy* shall be followed at all times.

MDC Employees shall also respect the right of the MDC Board to know if an MDC Board Member or other Employee has a real or potential conflict of interest, which may jeopardise impartiality and fairness within MDC's decision-making processes and especially in relation to the *MDC's Procurement Processes*. Examples of potential or actual conflicts of interest may include the following scenarios:-

- Working on a paid or voluntary basis (including Non-Executive Directorships) for any business on with a direct association with the Isle of Man built environment (including architects, surveyors, structural or civil engineering, construction, property development, property investors etc.).
- Equity in any of the above defined businesses, i.e. built environment
- Working on a paid or voluntary basis for any trade organisation or professional body with a direct association with the built environment.
- Has a close member of the family (partner, sibling, children or parent/related by marriage to any of the listed) owning or working for any of the above organisations on a paid or voluntary basis
- Representing an off-Island organization (in a paid or voluntary role) who is looking to invest in land and/or property on the Isle of Man.
- Is associated in any way with a potential or actual supplier of services or goods to MDC.

All reports of actual or perceived conflicts should be recorded in the *Company's Conflicts of Interest Register*, which is updated and appended to each set of Board minutes. As part of MDC's approach to risk management and mitigation, all MDC employment contracts shall include clauses relating to conflicts of interest, non-disclosure of confidential information and GDPR.

Integrity: MDC is resolute in its stand against bribery and corruption. For this reason, no Director of MDC, nor any employee, may accept, directly or indirectly, any gift, reward, hospitality, or discounted services for the individual's personal use unless it is within the context of giving or receiving refreshments, as part of a corporate meeting or where, culturally, it would cause offence not to give or receive a gift of a maximum value of £50 (£100 with prior board approval). Should the gift require travel the value of the gift excludes any MDC travel costs associated with attending the event. The travel costs will be considered by the Board when granting approval.

All gifts accepted on the basis of meeting the above exemptions and all actions where a gift has been offered and is refused shall be properly recorded within the *MDC Official Register*.

In all cases where there is a suspicion of bribery, it is the responsibility of MDC's Directors and employees to report any identified incidents of Bribery to the Police and, in parallel, to inform a Board member, where possible. Under no circumstances should a person suspecting another

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employee of Bribery confront the person he or she suspects, try to investigate the matter directly or divulge to anyone other than a Board member. All employees shall follow *MDC's Anti-Bribery and Corruption Policy.*

In addition to bribery, MDC expects its employees to act with integrity if they become suspicious of the source of wealth of a potential customer, investor or any other MDC stakeholder. *MDC's Anti-Money Laundering (AML)* and *Countering the Financing of Terrorism (CFT)* policies and procedures shall be followed at all times in order to manage and mitigate any risks to MDC's integrity and reputation.

Employees shall be reassured that the *Isle of Man's Employment Act 2006-PartIV* provides statutory protection to employees making a "protected disclosure" (the MDC Whistleblowing Policy), and this overrides the duty of confidentiality in the employment contract. All employees shall receive annual reminders of their whistleblowing rights from the Chair of the Audit & Risk Committee.

Innovation: MDC is keen to work with vendors and service providers who are actively seeking innovative ideas to increase their positive societal and financial impact on the production and delivery of goods and services are delivered. Creating sustainable solutions within the built environment is an important part of MDC's business model and methods but this may mean that the financial investment for MDC is greater than working in a more traditional and less environmentally friendly manner. MDC's financial modelling and risk assessments will strive to achieve a healthy balance between financial yield and the commitment to leaving a socially responsible and innovative legacy of brownfield site transformation. Any trade-offs made will be clearly set out in the business cases prepared for the BRSG.

Collaboration: MDC is committed to creating mutually beneficial relationships with its suppliers, strategic service provision partners and potential joint venture partners. However, the basis for a collaborative partnership with stakeholders relies on due diligence and risk assessment in order to avoid financial governance issues such as credit risks, financial insolvency and reputational damage. All MDC Employees shall follow the MDC Procurement Policy and Processes and the MDC Guidelines for Stakeholder Engagement and Communications as part of managing and mitigating risks and building sustainable relationships.

3.2 Applying the Isle of Man Government's Financial Values

Regularity: The MD shall ensure that MDC's financial processes, decisions, systems and reporting mechanisms are informed by the IOM Government's financial value of "**Regularity**" and that MDC will comply with all relevant laws and regulations, including but not limited to:

- The Companies Act 1931 - 2004
- The Audit Act 2006
- The Anti-Money Laundering and Countering the Financing of Terrorism Code 2019 (including Civil Penalties)
- The Audit Act 2006
- The Bribery Act 2013
- Employment Act 2006 (including Whistleblowing)
- Fair Trading Act 1996
- Data Protection Act 2018
- Income Tax legislation

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- Customs & Excise legislation

<u>Propriety</u>: Propriety is the second of the Isle of Man Government's Financial Values adopted by MDC. It is the shared responsibility of the Managing Director and all Board Members to ensure propriety within MDC's financial processes, decisions and reporting mechanisms. Specifically, all financial decisions must be, and seen to be:

> **Transparent:** clearly communicated financial data, open to scrutiny and documented sufficiently to enable scrutiny.
> **Impartial:** unbiased financial decisions in which any potential or real conflicts of interest are disclosed prior to the discussions and decision-making.
> **Reasonable**: made with sufficient diligence to ensure benefits and risks are appropriately managed, balanced and evidence based.
> **Accurate**: made using sufficiently accurate, contemporaneous information and accurately transacted and recorded.
> **Accountable:** financial decisions taken by someone with appropriate delegated authority in the Company who, if required, has to account for his/her/their decisions to someone with appropriate powers to take sanctions against them.

<u>Value for Money</u>: MDC has interpreted this government Financial Value to combine two key elements:

> **Best Value for Money*:*** the most advantageous combination of cost, quality and risk management for the <u>effective</u> delivery of the objectives agreed with the Shareholder / BRSG and to fulfil MDC's Purpose and achieve its Vision.
> **And**
> **Sustainability**: the inclusion of sustainability as one of the key factors within financial decision-making processes, in terms of how a financial decision may impact on sustainability within the built environment or more generally, in pro-actively seeking
>
> an alignment between MDC's Sustainability Policy and where/how it chooses to allocate its budget.

4. MDC Internal Controls

4.1 <u>Accounting Practices</u>

MDC is within the IOMG group accounting boundary and is required to prepare accounts in accordance with UK GAAP FRS 102. MDC will follow the accounting policies set out by IOMG in the Dark Blue book. This includes the annual submission of a Statement of Internal Control to Treasury.

4.2 <u>Overarching entity level controls</u>

MDC is a small, start up entity, with few employees and 3 non-executive directors. Naturally, this limits the level of financial controls that can be implemented.

MDC is conscious of the need to protect the public purse. Therefore the board has strong oversight over all decision making within the organisation, especially as it pertains to financial matters.

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Monthly management accounts are prepared by MDC's accounting provider, reviewed by the Head of Finance, and circulated to the board to review. Given the size of the entity, and in conjuction with the controls documented in this Section 4, the review of monthly management accounts enables the Board to effectively oversee the financial position of the business.

A summary of the most recent management accounts are also presented to each BRSG. The current arrangements will be kept under review as the Company increases its activities, to ensure that the control levels are commensurate with the financial activities, transactions and risks.

4.3 Actions requiring approval from Treasury under the Shareholder Agreement

The following actions require approval of the Shareholder, and are therefore not considered further in this policy. Should MDC seek shareholder approval under any of the categories below, the associated financial governance arrangements will be included in the approval request.[2]

It is anticipated that the first request will come under 4.3.4. as part of the business case for a construction approval. The request will cover the financial governance requirements around management of a borrowing facility and the construction of a major site.

4.3.1 sell, transfer, lease, licence or in any way dispose of all or any part of its business or assets including, in particular, any of its real estate;

4.3.2 create any mortgage or security interest, lien or other charge other than any arising by operation of law or prior agreed limits over any of its assets;

4.3.3 give any material guarantee, indemnity or security in respect of the obligations of any other person other than in accordance with pre-agreed financial controls;

4.3.4 borrow any sum or factors or discounts any book debts, except in respect of the purchasing or leasing of plant or equipment in the ordinary course of business;

4.3.5 enter into any material contract or alter, in a material way, the commercial terms of any material trading arrangements in either case outside the ordinary course of business;

4.3.6 undertake in any financial year any material single item or material series of items of capital expenditure or commence any litigation, arbitration or administrative proceedings, or claim outside the ordinary course of its business which might by itself or together with any such other proceedings or claim have a material adverse effect on the financial position of the MDC;

4.3.7 alter any of the rights attaching to shares in the authorised share capital of the MDC;

4.3.8 alter the name or Registered Office of the MDC;

[2] In framing any Shareholder approval request under this section, due consideration will be given to the IOMG Financial Regulations.

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4.3.9 alter its Articles of Association;

4.3.10 grant or create any rights (by licence or otherwise) over or in any intellectual property owned or used by the MDC;

4.3.11 amalgamate or merge with any other company or business undertaking, or acquire any subsidiary directly or indirectly, or acquire shares in any other company or directly or indirectly participate in any partnership or joint venture;

4.3.12 apply for the listing or trading of any shares in its issued capital or debt securities on any stock exchange market;

4.3.13 pass any resolution for its winding up or present any petition for its administration (unless it has become insolvent);

4.3.14 appoint any agent or intermediary to conduct the whole or part of the business;

4.3.15 enter into any partnership or joint venture agreement.

4.4 Imprest Accounts, Petty Cash and Cash Handling

MDC does not use imprest accounts or petty cash systems. Cash is not handled. Sundry, small value, business expenses may be paid for by employees and re-imbursed properly through the expense system.

4.5 Budget Management

MDC will prepare an annual operating budget, to a timeline agreed with the Shareholder. On a quarterly basis the Board will track expenditure against this budget and will report to the BRSG. The budget will be updated during the year to reflect any decisions made by the BRSG.

On a monthly basis the Head of Finance reviews the management accounts vs budget. A report showing the outcome of these reviews are issued to each Board meeting.

The current arrangements will be kept under review as the Company increases its activities, to ensure that the control levels are commensurate with the financial activities, transactions and risks.

4.6 Banking Arrangements

MDC will maintain banking relationships only with banks with a Fitch long term credit rating of A or higher. The bank must be regulated by the IOM FSA or by the UK PRA.

All instructions to banking counterparties, including payments, must be approved/made by a minimum of two authorised signatories. This must be established in the bank mandate.

Any changes to banking mandates must be made by at least two Directors.

A second bank account has been opened with Santander for the use of minor business expenses, travel and re-imbursement. Transfers will be made from the main bank account to this ‘expense’ account in order that the payment of expenses can then take place. Two debit cards have been issued to David Peach and Dane Harrop. To provide proper segregation of

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duties, transfers from the main bank account to the 'expense' account can only be made by two of the following authorisers (from the bank mandate); Sean Gilbert, Laura Jones or Lara Swales.

A reconciliation of the account will be carried out on a monthly basis as part of the monthly accounts process. The maximum balance of the account will be £1,000.

Expenses to be paid from the 'expense' account will need to be approved by two directors. VAT receipts must be obtained where relevant.

Any loans entered into by MDC will be approved by Treasury beforehand (as per the Shareholder Agreement) and relevant third party advice taken, where applicable & following the procurement policy. The administration of the loans will be in accordance with the bank mandate. Adherence to the loan covenants will be monitored by the Head of Finance and updates presented as part of the monthly Board meetings.

The main MDC bank account will be used to make payments on behalf of the SPV's (in accordance with the current mandate) and an inter-company recharge account will be used to recharge the money across to the SPV's. This will be reconciled by our 3rd party accounts provider, reviewed by the Head of Finance and presented to the Board on a monthly basis.

4.7 <u>Payroll Procedures & Recruitment</u>

MDC has outsourced payroll processes to a third party accounting firm. MDC acknowledges that it has ultimate responsibility for the services, which are provided under a Letter of Engagement.

Any notification to the payroll provider of changes (starters, leavers, pay changes etc) must be approved by 2 directors.

A director is not allowed to approve changes that relate to their own circumstances.

Notwithstanding that payroll has been outsourced, any physical payments from the bank account are further subject to the authorisation requirements of the bank mandate (see 4.6 above). The Head of Finance will also review wages & salaries costs on a monthly basis compared to budget adding a further level of control.

All recruitment must be approved by the Board.

These controls allow the Company to mitigate against the following risks:

- Creation of "ghost" employees on the payroll system;
- "Echo" payments to employees who have left employment;
- Unauthorised appointments and payments;
- Fraudulent recording of attendance/time;

4.8 <u>Providing Credit and Collecting Debts</u>

At this stage in its development MDC does not provide any credit, other than in the prepayment of invoices carried out in the normal course of business.

Should MDC provide credit in the future, this policy will be revised.

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4.9 Managing Fixed Assets and Inventory

Assets include all tangible and intangible assets, including assets in the course of construction. It is not anticipated that MDC will develop or acquire intangible assets.

It is envisaged that over time, MDC will hold assets under the following FRS 102 categories

- Investment Property
- Property Plant and Equipment
- Inventories

MDC, via its accounting provider, maintains a detailed asset register. The asset register, amortisation policies, depreciation charges and any residual values will be reported to the Board on a six monthly basis, commencing as at 31 March 2022. Where applicable, policies within the IOMG Dark Blue Book will be followed. This will allow MDC to ensure it has mitigated the following risks arising from managing assets and inventory.

All Fixed Assets and Inventory will be subject to an annual inspection and impairment assessment, commencing as at 31 March 2022. The Financial Governance Dashboard includes KPIs to monitor the regularity of the reporting and of the inspections and impairment assessment.

4.10 Company owned Motor Vehicles

MDC does not have Company owned Motor Vehicles. Should this change, the policy will be amended accordingly.

4.11 Insurance cover

The MDC Board is responsible for annually procuring Directors' and Officers' insurance cover and Management Liability Cover. This is done via an insurance broker.

The MDC has property insurance cover for its office via the lease service charge.

All other insurances are covered under the IOMG policies, as confirmed with Treasury, including employers liability, public liability and building contents.

4.12 Re-imbursement of Minor Business Expense, Travel and Subsistence

MDC will reimburse reasonable expenses incurred by employees or Directors only where they relate solely to the business and its activities.

All expense claims must be supported by VAT receipts where relevant, and must be signed off appropriately before being sent to the MDC's payment provider for processing.

Any claims relating to travel and subsistence must be in line with the rates prevailing for IOMG: https://hr.gov.im/media/1307/annex-n-subsistence-allowances.pdf

The approver for MDC Directors' expense is Chair of the Board. For other employees, their expenses need to be approved by the Managing Director.

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Any expenses incurred by the Chair of the Board should be approved by a representative of the Shareholder.

Expense payments will be reported to the Board at its monthly meeting to allow full transparency and oversight.

4.13 Procurement & Ordering, Receiving & Paying for Goods and Services

The MDC Procurement processes and procedures are set out separately in the MDC Procurement Policy.

When goods or services have been satisfactory received or provided, and invoiced, the MDC Managing Director is authorised to approve the invoice for payment (Head of Finance can approve up to £500 of non-contract related expenditure), such payment to be carried out by MDC's payment support service provider.

A copy of the invoice will be forwarded to two of other authorized signatories, who will further approve the payment of the invoice as part of the bank mandated payment process. An individual involved in the approval of an invoice cannot approve the payment.

4.14 Contract Management

MDC shall use a Contracts Register as the basis for recording, monitoring and reviewing contracts with service providers, other vendors and joint venture partnerships. It shall ensure that its procedures and processes for managing contracts with vendors, professional service providers and joint venture Partners are appropriate and adequately controlled.

MDC uses its own suite of appointment documents for the majority of its contracts in the built environment. The relevant templates are located within the MDC Management System within the Project Resources Library.

Legal support, from either the AG Office or an external firm, will be utilised where it is deemed necessary by the Managing Director or by the Board.

All signed contracts will be filed electronically in the MDC's Sharepoint site.

The Company must mitigate against the following risks:

- Vendors, Professional Service Providers and Partners are not clear of their obligations to the Company;
- Vendors, Professional Service Providers and Partners obligations to the Company are not enforceable;
- The Company is unnecessarily exposed to risk and liabilities;
- The Company is unnecessarily exposed to reputational damage.

MDC will make use of Special Purpose Vehicles (SPVs), set up to isolate the risks within contracts and to allow for easier reporting of actual to budget spending on contracts. Key metrics will be reported to the board on a monthly basis on each of the SPVs.

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4.15 Taxation

The MDC will only carry out business in the Isle of Man and will, therefore, only consider National Insurance, Manx Income Tax and VAT.

Payroll taxes are calculated by MDC's service provider, a firm of Chartered Accountants, and paid (subject to approval by MDC) to the Income Tax Division.

MDC has received confirmation from the Income Tax Division that it is exempt from Manx Income Tax under section 15c of the Income Tax Act 1970.

MDC has registered for VAT, and the relevant reporting is carried out by MDC's service provider, subject to proper oversight by MDC including the sign-off for VAT returns by MDC's Head of Finance.

5. Financial Governance Measurement and Reporting Framework

It is incumbent upon MDC to demonstrate sound financial governance through its internal controls and reporting mechanisms. The MDC Board shall ensure that the reporting framework is based on a basket of relevant Key Performance Indicators, Measures and Targets.

The reporting schedule is as follows:

- **Monthly Reporting** by the MD to the MDC Board, including monthly management accounts.
- **Quarterly Audit and Risk Reporting** by the Chair of the Audit & Risk Committee to the MDC Board
- **Quarterly Reporting** by the MDC Board to the BRSG (As per the BRSG meeting cycle)
- **Annual Reporting** by the MDC Board and BRSG to Tynwald (From April 2022)
- Publishing of Company Accounts (From June 2022)

Below is the Measurement Framework used by MDC for reporting on Financial Governance Key Performance Indicators. The framework will be reported to the Board on a quarterly basis, commencing as at March 2022.

This Dashboard is separate to the MDC Operational Dashboard used for the operational perfmance levels of property development project delivery referenced against the Annual Work Programme and Strategy Implementation Plan.

KPIs of Financial Governance	Measurement	Target	Performance level (RAG)	Reporter
Budget out-turn	Actual profit/loss vs budget	On-budget		Managing Director
Project cash flow	Project cash spend versus BRSG approved budget	On-budget		Managing Director

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Taxation compliance	Any breaches or penalties relating to payroll or indirect taxes	None		Managing Director
Bank reconciliations	Completion of reconciliations	No outstanding items > 1 month		Managing Director
Risk Management	RAG status in Enterprise Risk Management Framework	Green or remedial action at amber status		Chair of A & R Committee
Level of adherence to the Procurement Policy & Processes	As set out in the procurement policy	As set out in the procurement policy		Managing Director
Adherence to MDC Financial Governance Policy, other policies and national laws and regulations	Number of breaches reported	0 breaches		Managing Director
	Percentage of breaches reported with remedial action plans implemented	100%		
Fixed assets and inventory	Adherence to the requirement for the asset register, amortisation policies, depreciation charges and any residual values to be reported to the Board on a six monthly basis.	Half-year reporting to the Board completed and minuted.		Managing Director
	Adherence to the requirement for an annual inspection and impairment assessment	Annual inspection and impairment assessment completed and report available.		

6. Feedback on this Policy and/or its associated Processes

MDC is committed to policy and process improvement. It welcomes all feedback aimed at ensuring that this policy and associated processes are "fit-for-purpose".

All Feedback should be directed at the Policy Owner. Feedback will also be actively sought from its users at the annual review of the policy and associated processes.

The policy will be reviewed on at least an annual basis.

7. Policy Approval and Change Control

Manx Development Corporation Ltd.
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Policy Approved by Board:	10-02-22
Policy first published:	11-02-22
Change Control Details	Amendments approved 24/10/22 Board Meeting
Policy review date:	30-07-23
Distribution list for updates	➢ Uploaded to MDC Sharepoint Governance Master folder. ➢ MDC Board to receive personal copies ➢ Part of the Onboarding and Induction programme for every employee, contractor and Agent representing MDC.

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