

2018/9 ANNUAL REPORT AND ACCOUNTS

Registered address: 26 Groby Lane, Newtown Linford LE6 0HH

T Mark Hall was born in 1947.

He learned to play go in the late 1960's and rapidly gained the strength of 2 dan. He was a fine player, especially at Lightning Go, and won many tournaments, although he never reached the final of the British Championship. His last tournament appearance was in the British Open in April 2013 when he came 4th. He attended tournaments throughout the world, representing Britain several times.



Players at the London Go Centre

He will be remembered by many for sitting at tournaments and other events after his game was over with his pipe and chatting to all and sundry.

T Mark was a long and faithful servant of the British Go Association, serving on Council for some 22 years, 20 of these as Treasurer; this is a record of service that will surely be unsurpassed. He also greatly assisted the development of World Go through his partnership with John Fairbairn in GoGoD (Games of Go on Disk).

Mark wished to continue his work for the British Go Association even after he was gone, and made a substantial bequest to the T Mark Hall Foundation. The British Museum has also accepted the offer of his antique board.

He died on 9th December 2013, aged 66, following a long illness.

Introduction

T Mark Hall died in December 2013. His will stated that the majority of his estate was to be used “principally to promote the playing of Go in the UK”, with subsidiary aims of:

- Maintenance and storage of the T Mark Hall library until such time as a permanent place can be found to keep the books, magazines and pictures;
- Research to find a permanent London Go Centre which would be open most afternoons and /or evenings;
- The provision of financial grants to young members of the BGA to assist with Go tuition or living costs to enable them to study Go in the Far East for periods of up to two years.

The majority of his estate was given to the T Mark Hall Foundation.

London Go Centre

T Mark Hall’s Will stated that one of the prime objectives is to “Undertake research to find a permanent London Go Centre which would be open most afternoons and/or evenings”, and this is reflected in the Foundation’s Articles.

The Directors do not believe that a full-time, independent London Go Centre as envisaged by T Mark Hall is yet feasible in the current climate. However, they believe that a Mind Sports Centre, to incorporate Go, might be feasible and they examined the possibilities, in collaboration with the English Chess Federation, of setting up such a centre.

This work ceased when Gerry Gavigan of the West London Go Club had discussions with the Young Chelsea Bridge Club (YCBC) about the use of their premises in West London (adjacent to Goldhawk Road tube station), and as a consequence the “London Go Centre” was established in 2017.

The Foundation initially agreed to pay the rent for 2 years, and provided significant capital grants towards the start-up costs. Subsequently a longer term (5 year) agreement has been signed.

In summary, the agreement with the YCBC is that the London Go Centre can use the premises whenever it is not being used for a bridge event. The West London Go Club meets regularly at the YCBC, and several tournaments are being run by the LGC. In 2018/9 the following were held:

- The “Bar-Low” in May
- “Not the London Open”, also in May
- The “T Mark Hall Rapid Play” and “International Teams Event” in September

- The Guy Fawkes Tournament in November
- The London Open Go Congress (at New Year)

In addition the BGA held the Challenger's League at the LGC in 2019.

The Foundation is continuing to cover the annual rent to YCBC. The Foundation has agreed the following payments:-

- £10,000 in 2019. Half of this was made in March 2019 (and is included in these accounts), the remainder was paid in May 2019
- £5,000 in October 2020
- £5,000 in October 2021
- £5,000 in October 2022
- £5,000 in October 2023

Half of this money represents the annual rent; the remainder is earmarked for improved internet access (estimated at £2,000/year, allowing streaming of games, etc.) and other miscellaneous items of capital expenditure.

T Mark Hall Library

The T Mark Hall Library consists of a number of books, magazines and prints which were owned by T Mark Hall. Initially it was kindly stored by Barry Chandler in mid-Wales.

In May 2019 the Library was moved to the London Go Centre. This photograph shows the books and magazines in the Bookcase, with a number of the Library's prints on the wall.



T Mark Hall Award



During the year the Directors decided to institute the “T Mark Hall Award”, a substantial cash award to someone who has made a significant contribution to British Go.

We are pleased to report that the first award has been made to Tony Atkins, a BGA Vice-President. Tony was BGA secretary for 16 years, when he worked closely with T Mark Hall. Since he stepping down in 2001, he has continued to work for the BGA “behind the scenes”, keeping the web-site up to date and ensuring that sets and clocks arrive at the various tournaments and other events held around the country.

Sponsorship and Support

The Foundation provided £1,000 of support to the 2019 British Congress, held in Manchester. It has also agreed to support Bristol Go Club’s celebrations of the 50th Wessex Go Tournament in October 2019, although this payment will be shown in next year’s accounts. T Mark Hall came originally from Weston-super-Mare and always considered Bristol Go Club to be his “home” club, despite living in London.

Finance Director’s Report

The previous AGM was held at the London Open Go Congress in December 2018, at which the accounts for the 18 months January 2017 – June 2018 were presented.

Because the Foundation has significant investment income, the tax position is rather complicated and those accounts could not fully take account of the tax position (tax certificates were not received until May). It also meant that the Accounts presented to the AGM were a little different to those presented to HMRC (and to Companies House). These differences are not considered to be material.

To simplify the position, the Directors therefore decided that, in future, the AGM should be held later in the year after tax certificates were received. (The Company’s articles merely require an AGM to be held in each calendar year).

The Company has moved to a financial year which coincides with the tax year (April to March).

Financial Results for the Year

A full set of examined accounts are given later. In summary, the Foundation's Income and Expenditure accounts are as follows:-

Income

Income from Investments (Interest and Dividends)	£ 6,459
Capital Gains	£ 23,722
Total	£ 30,181

Expenditure

Total Expenditure	£ 17,633
Surplus for year	£ 12,548

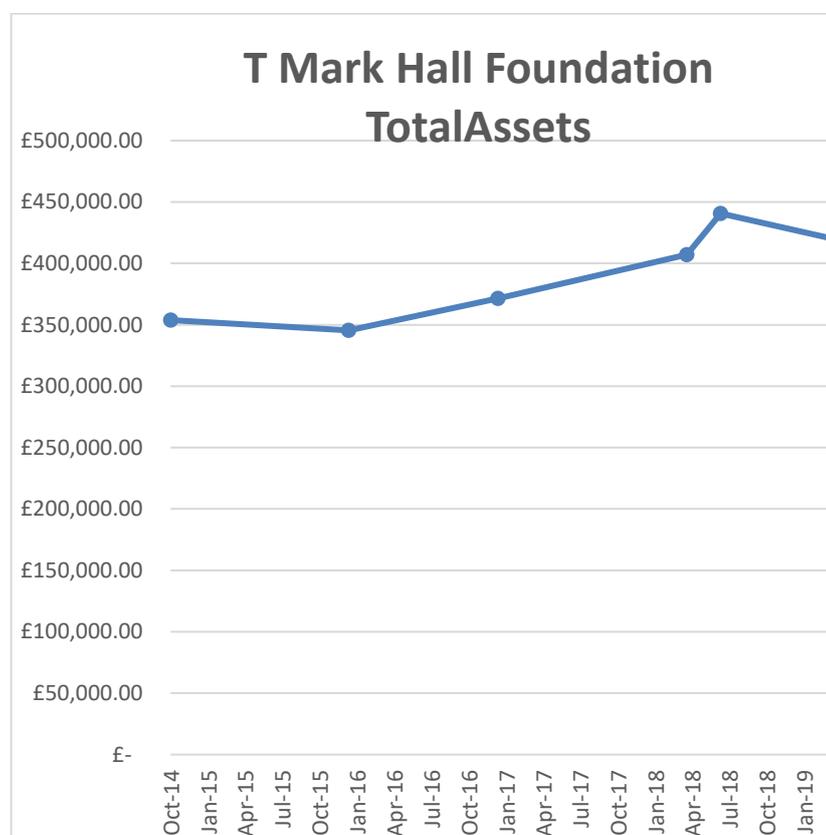
During the year 2018/9 the Foundation made an operating loss (Expenditure less income) of £11,174. However, this was overwhelmed by the investment performance; the Company's investments increased in value by £23,722, giving an overall surplus of £12,548. It should be noted, however, that this is a "paper" profit, and it is quite possible that this capital appreciation will be wiped out by stock market underperformance in future years. There might also be a tax liability if all the assets were liquidated.

Foundation's Capital

The graph shows how the Foundation's total capital has changed since its foundation.

Its initial capital was £353,840; at April 2019 it was £420,368.

Of the Foundation's assets, approximately £100,000 is invested in a "safe" fund aiming to give an annual return of around 3%.



Company Limited by Guarantee, Registered in England and Wales No. 9274117

The remainder is invested in Stocks and Shares, in what is considered to be the relatively “safe” part of the stock market with low charges (generally exchange traded funds and investment trusts). The Company’s overall financial performance is therefore governed by the overall performance of the (worldwide) Stock Market.

Note 7 to the Financial Statement indicates how the Company’s financial assets have been invested.

We expect a small repayment in the second half of 2019 of tax paid during 2017 and 2018. No account has been taken of this refund in these accounts.

Safeguards and Controls on Investments

At the 2018 AGM the Members asked for additional controls on the Company’s Assets. Accordingly the Directors have instituted the following controls:

- Any withdrawal of money from the Prospect account shall only be made to the Foundation’s HSBC Bank Account, and shall require the authorisation of the Finance Director and one other Director, or of 3 Directors excluding the Finance Director.
- With respect to the Alliance Trust Saving (ATS) Account:-
 - The Finance Director can buy and sell investments of his own volition provided all monies reside within the ATS envelope, but must immediately inform the remaining Directors if the transaction has not been agreed by the Investment Advisory Committee
 - Any withdrawal of funds from the ATS Account requires manual operation by ATS staff, it cannot be done automatically
 - All withdrawals from the ATS Account are to be made by electronic transfer only to the Company’s HSBC Bank Account
 - Withdrawals of up to £5,000 within any 6 month period may be made on the authority of the Finance Director alone
 - Withdrawals up to £25,000 within any 6 month period requires the signature of 2 Directors
 - Withdrawals which do not meet the above requirements require the signature of 3 Directors

The Directors believe that this gives a reasonable balance between safeguarding the Company’s assets and not instituting unreasonable bureaucracy.

Directors

The Articles of Association state that the Directors shall be John Fairbairn, together with the President, Secretary and Treasurer of the British Go Association.

Accordingly, during the period under consideration, the Directors of the Company have been:

- John Fairbairn
- Richard Wheeldon (Chairman)
- Toby Manning (Finance Director)
- Jonathan Chin (Company Secretary)

Statutory Accounts

The Foundation requires professional assistance in preparing a set of Accounts (“Statutory Accounts”) which is acceptable to HMRC (these accounts are also submitted to Companies House). Although the Statutory Accounts provide the information that we are legally required to produce, in the Directors’ opinion these do not give sufficient information to the Members to fully understand the Company’s financial position.

In particular, the Balance Sheet in the Statutory Accounts values all investments at cost price and does not, in the Directors’ view, adequately express the current value of the Foundation’s investments.

The Statutory Accounts are being prepared by a member firm of the Association of Chartered Certified Accountants, which is subject to the ethical and other professional requirements detailed at <http://rulebook.accaglobal.com>, and in accordance with the requirement of the Association of Chartered Certified Accountants as detailed in Factsheet 163 at <http://www.accaglobal.com>.

The Directors had hoped to attach the Statutory Accounts to the Annual Report and Accounts. Unfortunately a serious of delays (for which the Board was not responsible) meant that this has not been possible. The Statutory Accounts will be posted on the web-site as soon as they are available, but this will not be before 8 October.

Examination of Accounts

The Company has a turnover of less than £1M and a Balance Sheet of less than £1.4M. The Directors have therefore resolved to provide unaudited accounts, because:-

(a) For the period of time from the Company's registration on 21 October, 2014 until 8 April 2019 the company was entitled to exemption from audit under section 477 (2) of the Companies Act 2006.

(b) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

(signed)		Richard Wheeldon (Chairman)
		Toby Manning (Finance Director)

At the 2018 AGM concern was expressed that there was insufficient independent scrutiny of the Accounts, and the Board were asked to ensure that the Accounts were professionally examined (an examination being less strict than a formal audit).

We therefore asked the Accountant undertaking this job to also examine the Accounts. After initially agreeing to do so, the Accountant then declined to do an Examination, stating that the advice from his professional body was to decline such requests.

There was then insufficient time to move to a different set of accountants who would both satisfy the HMRC requirements and also do the Examination (this would also have placed an unreasonable burden on the unpaid Finance Director).

The Directors believe that it is important that the Members can be reassured that the statements in the Balance Sheet representing the Foundation's capital (and its current value) are correct, as these are not (in the Directors' opinion) adequately covered in the Statutory Accounts.

The Directors therefore resolved to ask Jenny Rofe-Radcliffe, a trainee (partially qualified) accountant, to examine the Accounts with particular reference to the valuation of the Assets in the Balance Sheet. She has provided the Statement below.

I have examined the Company's Accounts for the year 2018/19 as presented in the Annual Report, together with the Bank Statements and independent valuations of the Company's assets.

In my opinion the accounts I have examined are a true and fair representation of the T Mark Hall foundation, and in accordance with the Companies Act. I have investigated and established that the investments described exist. The Foundation is clearly in good shape.

Jenny Rofe-Radcliffe

Income and Expenditure Account

covering the 12 months from April 2018 until March 2019.

Income	Note	12 months 2018/9	12 months 2017/18
Dividends		£ 3,557	£ 2,788
Interest		£ 2,902	£ 2,913
Tax Refund			£ 180
Total Operating Income		£ 6,459	£ 5,881
Expenditure			
Legal/Financial costs		£ 733	£ 420
Mind Sports Centre			£ 2,576
T M Hall Library		£ 2,000	
Admin		£ 1,104	£ 524
Award		£ 4,000	
London Go Centre	6	£ 9,730	£ 3,490
Bank Fees		£ 66	£ 67
Total Operating Expenses		£17,633	£ 7,077
Net Operating (Deficit)/Surplus		(£11,174)	(£ 1,197)
(Loss) Gain on Investment value	7	£ 23,722	£ 44,081
Net (outgoing)/incoming resources for year		£12,548	£ 42,884

Balance Sheet *as at 4 April 2019*

		Apr 2019	Apr 2018
Opening Capital (Apr 2018)	£407,820		
	Represented by		
Surplus (Deficit) in 2018/9 (12 months)	£ 12,548	Tangible Fixed Assets Nil	Nil
		Current Assets:	
		Prospect	£101,104 £99,741
		Alliance Trust	£316,933 £286,574
		Current A/c	£2,127 £2,819
		Deposit A/c	£204 £18,686
		Less liabilities	Nil Nil
Closing Capital (Apr 2019)	£420,368	£420,368	£407,820

Notes to the Financial Statement

1. Basis of Preparation

These accounts are prepared on a “cash” basis. Financial investments are revalued (on a “mark to market” basis) as near as practicable to the end of the relevant accounting period. In this case the Investment in Prospect was revalued on 30 March 2019, the remaining investments on 4 April 2019.

2. Tax

Tax payments are accounted for when they are paid/received: no account is taken of future tax liabilities/refunds.

3. Going Concern

The Directors consider that the Foundation has adequate resources for the foreseeable future.

4. Realised (Capital) Gains

The Table below shows the realised gains (and losses) during the period under consideration.

Sale Date	Stock Sold	Buy date	Capital Gain
Stock held within the Prospect Portfolio			
24-Jan-19	Medicx Fund Ltd	30-Jun-15	£341
24-Aug-18	Tesco Personal Finance 5.2%	30-Jun-15	-£243
08-Nov-18	Aberdeen Global Absolute Return Intermediate Capital	01-Sep-15	-£981
21-Dec-18	Group7%	11-Apr-17	-£376
Shares			
14-Mar-19	Scottish Mortgage	27-Jan-15	£ 2,899
28-Jan-19	Finsbury Growth & Income	17-Aug-16	£ 2,874
Total			£ 4,514

The Foundation is eligible for indexation relief on these capital gains.

5. Director's Fees

None of the Directors received any remuneration during the period of time to which these accounts apply, although bona fide expenses were covered.

6. London Go Centre

The Foundation made payments totalling £9,730 to the London Go Centre. Up to 2018 the Foundation had covered the rent as it arose; however, in August 2018 it was agreed that we would cover the rent as an advance payment, to give the London Go Centre more certainty over its funding and to give a cushion for its cash flow. We also agreed to cover other running costs.

Accordingly the above payment of £9,730 covers:-

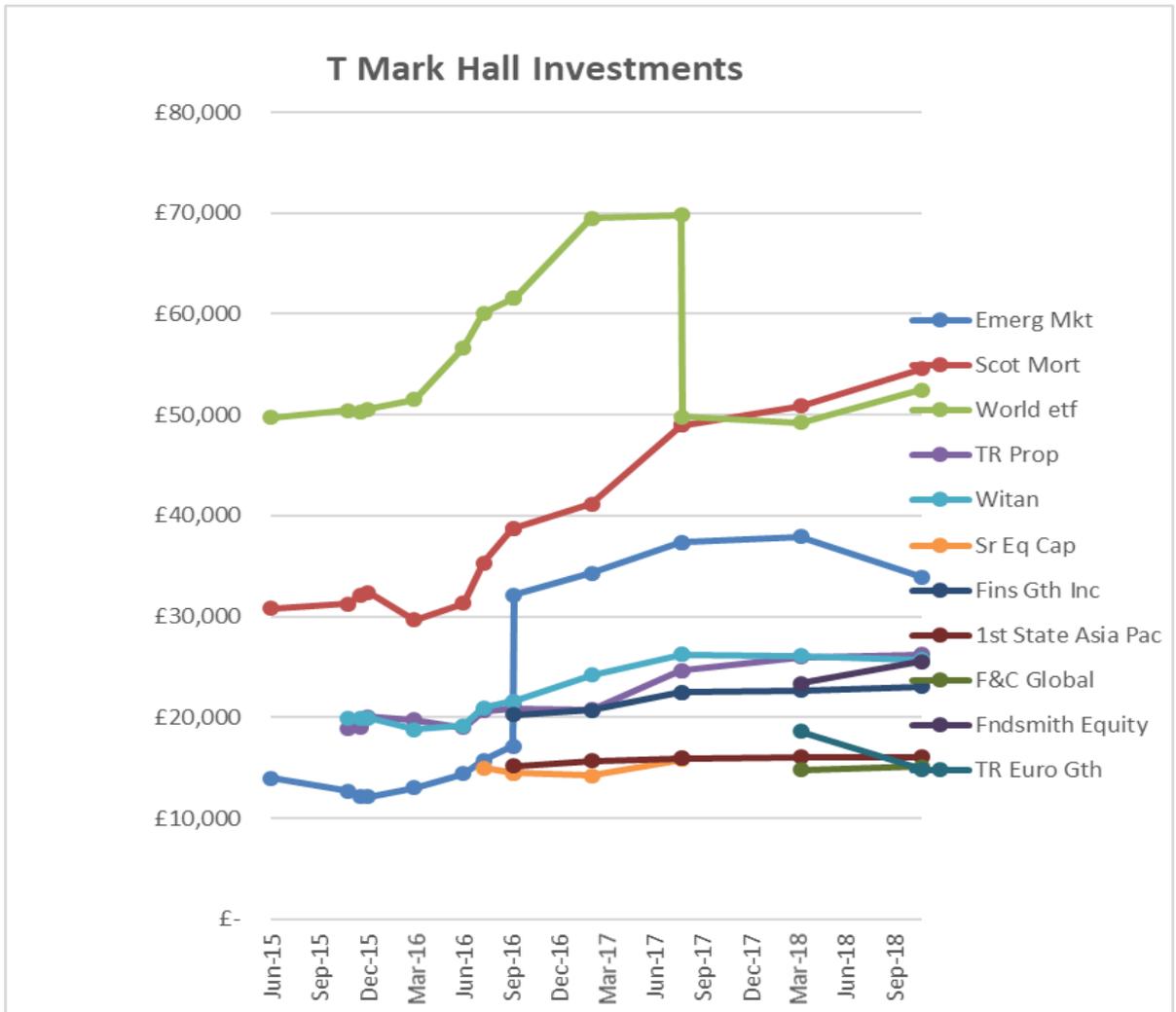
- £2,500 rent for 2018/19
- £2,500 rent for 2019/20
- £1,000 allowance for audio-visual equipment
- £1,730 for other miscellaneous capital expenditure
- £2,000 allowance to cover improved internet connectivity

The London Go Centre is expected to account to the Foundation for how it has spent these monies.

7. Financial Assets.

The Foundation has an Investment Advisory Committee consisting of Toby Manning (Finance Director), Andrew Jones and Alex Rix to advise the Finance Director how the capital should be invested. Both Andrew and Alex have worked in the Finance Industry; both have served on the BGA Council. However, the decision and responsibility concerning how the funds should be invested lies solely with the Finance Director, although he is to inform the other Directors immediately if he takes any significant investment action without the agreement of the Investment Advisory Committee.

The Investment Advisory Committee met three times during the period covered by these accounts, and did not recommend any change to the investment principles established in 2015, namely that we should generally aim for investments with low charges, with the intention of holding them for an expected period of 2 – 5 years and that we were happy to have a reasonable level of risk. Details of the investment performance are given in the Table on Page 14, and are shown in the graph on Page 13. The vertical lines indicate where securities were bought or sold.



Equity Investments as at 5 April 2019.

Company or Fund	Ishares MSCI Emerging Markets	Scottish Mortgage Inv. Trust	iShares World UCITS ETF	TR Property Inv. Trust	Witan Inv. Trust	F'sbury Growth and Income	First State Asia Pacific	F'dsmith Equity	TR Euro G'th	BMO Global Small Co	Twenty Four Income	Total
Date Purchased or Sold	May-15 Sep-16	Jan-15 Mar-19	Jan-15 Aug-17 Jan-19	Oct-15	Oct-15	Aug-16 Jan-19	Sep-16	Dec-16	Aug - 17	Aug - 17	Jan-19	
Initial Investment	£30,000	£ 30,000	£30,000	£20,000	£ 20,000	£20,000	£15,000	£ 20,000	£20,000	£15,000	-	£240,000
Valuation at April 2018	£ 37,943	£ 50,864	£ 49,245	£ 25,997	£ 26,091	£22,658	£16,045	£ 23,349	£18,607	£14,786	-	£285,585
Additions or Sales in 2018/9		-£ 6,000	£ 9,964			-£22,758					£ 20,000	£ 1,206
Dividends paid during 2017/8	£ 651	£ 357	#	£ 838	£ 597	£ 459	#	#	£333	£1,700	-	£ 3,408
Valuation at 4 April 2019	£ 37,319	£ 55,212	£ 67,086	£ 26,603	£ 26,905	Nil	£ 16,599	£ 28,095	£15,073	£ 14,956	£20,804	£316,859**
%age Return (annualised)	0.07%	21.05%	16.00%	5.55%	5.41%	0.02%	3.45%	20.33%	-17.20%	12.65%	4.00%	12.14%

Dividends from these investments were reinvested.

** The Total of £316,859 includes £7,696 held as cash within the Alliance Trust Account

Statutory accounts

The Accounts for 2018/19 to be submitted to HMRC and Companies House are not yet available. The earliest possible date that the Statutory Accounts will be 9 October, but the actual date will depend on when the professional accountant can complete them. They will be posted on the Web Site as soon as they are available.