

T Mark Hall Foundation

Annual Report 2020-21

Period

This report covers the period from April 2020 to March 2021 together with some subsequent events.

Events of the Year

This has been a very eventful year for the Foundation – expected to be its last full year, as Members have voted for it to be wound up (see below). The report below summarises these events, which are described in more detail in the various Newsletters and Minutes on the Foundation’s website.

In Autumn 2020 the Foundation had the opportunity, in conjunction with investors from the Bridge community, to purchase an ex-Salvation Army citadel in Hammersmith and to convert it into a Mind Sports Centre. In accordance with the principal component of T Mark’s Will and the Foundation’s objectives, this promised at last to provide a permanent base for the London Go Centre (LGC). The purchase price was £1.76M, and the Board agreed in principle, subject to Member Agreement, to invest in the building; the Members of the Foundation provided this approval at an Extraordinary General Meeting on 13 September.

In October 2020 a new company, MindSports Property Ltd (MPL), was established to make the purchase: the TMHF invested £300,000 directly in MPL, obtaining shares to the value of £150,000 and loan notes to the value of £150,000. The Foundation also donated £100,000 to the LGC which enabled it to participate in the purchase. The Articles of the MPL provide for one Board member nominated by the Foundation, and Toby Manning took up that role on behalf of the TMHF. Alex Rix has subsequently been appointed to the MPL Board (as the LGC representative following the transfer of the TMHF shares in MPL to LGC post year-end).

The AGM of the Foundation took place on 13 November 2020. The Articles of the Foundation were amended so that the Board is now composed of two Directors nominated by the British Go Association (BGA), two Directors elected by the TMHF AGM, and up to two Directors co-opted by the Board. The BGA nominated Toby Manning and Colin Williams, and the AGM elected Alex Rix and Pat Ridley.

The purchase of the ex-Salvation Army building was completed in December 2020. The building has not been occupied for four years, however, and refurbishment is required before the building can be used.

A consultation meeting was held on 8 March 2021 to ascertain the views of Members on the future of the Foundation.

Following the consultation meeting, the Foundation transferred its Loan Notes (£150,000) to the LGC.

Based on the views expressed at the consultation meeting, the Board proposed in a Special Resolution to the EGM held on 28 May 2021 that:

- i) the T Mark Hall Library be donated to the LGC;
- ii) the Foundation’s shares (£150,000) should be transferred to the LGC;
- iii) the Foundation be wound up;
- iv) its residual funds be divided between the LGC, BGA and Castledine-Barnes Trust (CBT) in the ratios 50/25/25; and

- v) the BGA be designated the successor body (e.g. for any legacies).

Additionally, before the meeting it had become apparent that the refurbishment costs would be greater than could be accommodated within MPL's existing resources. Consequently, an alternative Special Resolution proposed that a further £20,000 be donated to the LGC to enable it to increase its investment in MPL as its part in meeting these greater costs – the £20,000 to be allowed for prior to determining the residual funds to be divided between the LGC, BGA and CBT, in the ratios described above. This alternative Special Resolution was agreed.

Following the EGM, the shares and the additional £20,000 have been donated to the LGC.

Toby Manning resigned from the TMHF Board with effect from 1 April 2021 and we thank him for his extensive work on behalf of the Foundation since inception. In view of the expected limited life of the Foundation, the Board is not currently seeking a replacement.

Grants

In the course of this year, the Foundation awarded a £5,000 grant to the LGC, as planned, mainly intended to enable to the LGC to cover its annual rental costs.

In July 2020, the Foundation also awarded a grant of £500 to support a young player spending time at the Jena International Go School.

Award

The Foundation may make an annual cash award to someone who has made a major contribution to British Go. No award was made in 2020-21.

Finance Report

The Foundation's initial capital was £353,840. As at 5 April 2020, this had grown to £372,046, albeit that markets had suffered a large correction in February and March 2020. As part of the investment in the new Mind Sports Centre, all investments were encashed in the autumn of 2020. Absent the the £100,000 donation to LGC and the £150,000 transfer of the MPL loan notes to LGC, the capital as 5 April 2021 would have been £472,391, the large rise being the result of investment gains as markets recovered.

The actual remaining capital as at 5 April 2021 was £222,391, of which £150,000 was invested in shares in MPL and £65,725 at market value was invested in the stock market. Subsequent to the year-end, a further £20,000 was gifted to the LGC in respect of refurbishment costs for the new Mind Sports Centre and the shares have been gifted to LGC.

A summary of the results is shown below:

Income	
Income from investments (interest and dividends)	£4,287
Capital gains	£122,479
Total	£126,766
Expenditure – LGC rent and grant	£5,500
Other expenditure	£1,304
Surplus	£119,962
Donation to LGC	£100,000
Donation of MPL loan notes to LGC	£150,000
Deficit after LGC donations	(£130,038)

The investment portfolio now consists of two investments at 17 September 2021:

778 iShares MSIC World ETF – value £48,555 (cost £39,962)

653 Monks – value £9,390 (cost £8,116)

Directors

The directors of the company during the period were:

Richard Wheeldon (Chairman; resigned 10 September 2020)

Toby Manning (Finance Director, resigned 5 April 2021)

Jonathan Chin (resigned 18 August 2020)

Pat Ridley

Alex Rix (now Chairman and Finance Director)

Colin Williams (appointed 23 July 2020)

Detailed accounts

Detailed accounts are shown below.

Some US\$ investment income from last year and a small resulting US\$ cash balance at Interactive Investor had not been recorded and last year's accounts have been corrected. Also, the historic book cost of the investments has been corrected – last year, all the investments were sold and there was a small discrepancy, probably arising from accrued income from the sale of fixed asset investments over time held at Prospect.

The large capital gain arose from the complete liquidation of the investment portfolio in connection with the purchase of the Salvation Army Hall. The main contributions arose from the largest investments: Scottish Mortgage £66,289, World ETF £32,575 and Fundsmith £14,367.

Directors' and officers' insurance was purchased last year for the first time. This has not been renewed.

Investment management fees are lower this year due to the liquidation of the portfolio and a much lower residual investment balance resulting from the Salvation Army building purchase. This also explains why investment income is lower than last year.

The debtors amount in the balance sheet consisted of a prepayment of the grant to the LGC for rent (£5,000) and a corporation tax payment on account (£2,680) which has since been refunded.

Last year, the accounts were prepared by Austin Myers, a professional firm of accountants. This year, we are grateful that Alice Ambrose-Thurman has volunteered to draw up the statutory accounts and Mohammed Amin has volunteered to prepare and file the tax return. Therefore, there are no accountancy charges this year.

As usual, the accounts have not been audited as it is not a requirement for a company of this size under the Companies Act.

T MARK HALL FOUNDATION PROFIT AND LOSS ACCOUNT	Year ended 5.4.2021	Year ended 5.4.2020	Prior year adjustments	Restated Year ended 5.4.2020
Income				
UK and foreign dividends receivable	3,314	6,564	117	6,681
Untaxed interest receivable	469	859		859
Taxed interest receivable (grossed up)	503	904		904
Profit on disposal of investments	122,479	13,749		13,749
	<u>126,766</u>	<u>22,076</u>		<u>22,193</u>
Less: expenses				
Travel and subsistence	199	871		871
London Go Centre library costs	-	144		144
Rent for London Go Centre	5,000	5,000		5,000
Bank charges	108	76		76
Companies House expenses	28	13		13
Accountancy	-	1,020		1,020
Investment portfolio management fees	479	826		826
Prizes and sponsorships	500	5,432		5,432
Depreciation	93	161		161
Zoom account	29	-		-
Insurance	366	-		-
Charitable cash donation London Go Centre	100,000	-		-
Gift of MPL loan notes to London Go Centre	150,000	-		-
Correction to prior year investment book cost			1,654	1,654
	<u>256,804</u>	<u>13,543</u>		<u>15,197</u>
Net Profit (loss) before tax	- 130,038	8,533		6,996
Taxation on ordinary activities	<u>0</u>	<u>0</u>		<u>0</u>
Profit for the financial year	- 130,038	8,533		6,996
Profit and loss balance b/fwd	506	-6,490		-6,490
Profit and loss balance c/fwd	<u>- 129,532</u>	<u>2,043</u>		<u>506</u>

BALANCE SHEET	Year ended 5.4.2021	Year ended 5.4.2020	Prior year adjustments	Restated Year ended 5.4.2020
Fixed Assets				
Fixtures & fittings	-	92		92
Investments	209,961	330,000	- 1,690	328,310
	<u>209,961</u>	<u>330,092</u>		<u>328,402</u>
Current assets				
Debtors	7,680	5,342		5,342
Cash in hand and bank	6,666	21,468	155	21,621
	<u>14,346</u>	<u>26,810</u>		<u>26,963</u>
Less: current liabilities				
Creditors	-	1,020		1,020
Net current assets	14,346	25,790		25,943
NET ASSETS	<u>224,307</u>	<u>355,882</u>		<u>354,345</u>
CAPITAL AND RESERVES				
Capital - Legacy received	353,839	353,839		353,839
Revaluation reserve	-	-		-
Profit and loss account	- 129,532	2,043	- 1,537	506
	<u>224,307</u>	<u>355,882</u>		<u>354,345</u>