

T Mark Hall Foundation Consultation Meeting 8th March 2021

Notes

(These notes were prepared with the help of an audio recording made by Jonathan Chin, which is available on the website).

The meeting was held using Zoom. The following members were present: Mohammed Amin, Tony Atkins, Jim Clare, Jonathan Chin, Mike Cockburn, Peter Collins, Jon Diamond, Harry Fearnley, Gerry Gavigan, Helen Harvey, Martin Harvey, Colin Maclennan, Matt Marsh, Toby Manning, Richard Mullens, Paul Plumptre, Pat Ridley (Chair), Alex Rix, Jon Turner, Richard Wheeldon. (20)

Colin Williams was thanked in his absence for his considerable work in assembling the Discussion Document.

Purpose

The purpose of the meeting was to ascertain members' opinions prior to a future EGM for which the Board would prepare specific proposals regarding the future of the Foundation. The votes at the current meeting would be 'straw polls', indicative only, intended for the guidance of the Board in preparing proposals.

It was noted that a resolution to wind up the Foundation at a forthcoming EGM would require 75% of the votes cast in order to pass.

Questions and clarifications

Documents that had been on the TMHF website for a while (the main Discussion Document from the Board and LGC documents) were taken as read. The authors of very recent documents (also on the website), which had not been seen by all members, Harry Fearnley (HF), Jon Diamond (JD) and Toby Manning (TM), briefly introduced them. Questions on all these documents were considered and clarifications given.

Alex Rix (AR) asked whether the BGA would be an eligible body to accept any shares that might be transferred from the TMHF. TM believed that it would not be possible now but would be if the BGA becomes a company limited by guarantee (which it is working to become). Mohammed Amin (MA) explained that it would be possible even now to do so through named trustees (up to four, he thought), who could hold them on behalf of the BGA. It was not strictly necessary for the BGA to become a company limited by guarantee for this purpose. Corporation Tax (at 19%) would be payable on any capital gain, however, if the BGA were subsequently to sell them.

Peter Collins asked if there would be a problem if such a trustee were to die while holding BGA shares. MA said that he believed there would not be.

HF said that in his opinion the important issues were compliance with T Mark Hall's will and accountability. He considered that governance arrangements for the Castledine-Barnes Trust (CBT) were inadequate for it to be a recipient of the Foundation's funds. The LGC, however, was well-regulated, more accountable than the BGA. Also, the LGC needs a contingency budget of around £40k. He concluded that the whole of TMHF funds should go to the LGC.

JD said that he had been one of the original trustees of T Mark Hall's (TMH) Will and had had many discussions with him. For whatever reason, TMH had not wished his legacy to go to the BGA. Of the purposes described in his Will, now that the LGC itself is settled and provision for his library made, the remaining component is provision for grants to support young players studying Go in the Far

East. A small sum, around £10k, say, should be transferred to the BGA or the CBT for this and the rest should go to the LGC.

TM proposed that the Loan Notes should go to the LGC, which would meet their rental requirements with a small surplus. They pay rent to the Young Chelsea Bridge Club (YCBC) and it is the YCBC that is responsible for maintenance and repair, not the LGC, therefore the LGC did not need any additional funding. Furthermore, it would not be appropriate for the LGC to be better resourced than the national go association. He advocated putting the residual cash in to the BGA or Castledine-Barnes Trust (CBT). In this scenario, the BGA could give the LGC more funds in the future if a sufficient business case were provided. He had no view on the destination of the shares.

In answer to a question from Jon Turner, TM said that he thought funds transferred to the BGA should be used for general purposes rather than be ring-fenced for any particular purpose.

AR commented that it was clear from John Fairbairn that establishing the LGC was the principal aim of TMH's Will. However, TM pointed out that the prime aim of T Mark's Will was the promotion of the playing of Go in the UK, and that supporting the LGC was a specific objective.

Gerry Gavigan (GG) commented that a main objective of LGC is to create a reserve, ideally £40,000 (10% of the investment in MPL) as a contingency for the Salvation Army building and that this money would be held as a strategic reserve. It was not seeking the whole of the residual funds. It would be possible, if it turns out that all the reserve is not needed, to release funds for the support of other Go projects.

MA asked who the trustees of the CBT are, and how is it funded, noting that he understood it is not a charity and has no members. TM said the trustees are himself, Martin Harvey (MH) and Sue Patterson. He acknowledged that the governance and communication of the CBT could be improved. The CBT is not a charity (though it may seek such status in future) and therefore any profits it might make, e.g., from investments, would be taxable, unless it should become a charity.

MH said that there were two sources of CBT funds: individual donors wishing to support youth go, and donations invited from surplus-making tournaments when paying the BGA levy. He pointed out that funds in the CBT were, by the nature of the CBT, ring-fenced for the support and promotion of youth go.

Richard Wheeldon said that there were three separate considerations: where should the money go, what should it be used for, and what should be done with it (e.g., investment) in the meantime? He pointed out that there is an advantage from an investment perspective in keeping funds in a single large sum rather than several smaller sums.

MA commented on the advantages of gift aid in giving money, available to the LGC as a charity.

Straw polls

- i) **Transfer of Loan Notes to the LGC**
Yes 14, No 1, Abstain 1 (some confusion over the number of abstentions).
- ii) **Transfer of Shares to the LGC**
Yes 13, No 1, Abstain 5
- iii) **Should we wind up the TMHF and transfer its resources elsewhere?**
Yes 17, No 1, Abstain 2
- iv) **Should the LGC receive 100% of the residual cash (£70k approx.)**
Yes 1, No 16, Abstain 3

- v) **Should the LGC receive any of the residue?**
Yes 14, No 2, Abstain 3
- vi) **Should the CBT receive any of the residue?**
Yes 10, No 3, Abstain 6 (or7?)
- vii) **Should the BGA receive any of the residue?**
Yes 14, No 3, Abstain 3.
- viii) **What percentage of the residue should go to the LGC?**
About 50% 13 (some may have been made in favour of at least 50%)
About 33% 5
About 25% 1
More than 50% 6 (to resolve any confusion over the 50% vote)
- ix) **What percentage of the residue should go to the CBT?**
About 50% 0
About 33% 5
About 25% 10
- x) **What percentage of the residue should go to the BGA?**
About 50% 0
About 33% 6
About 25% 11

Conditions

The meeting decided not to discuss conditions that might be attached to any transfers. The TMHF Board was asked to come up with EGM proposals based on the feedback along with any conditionality attaching to the transfers it considered necessary.

JD and MA suggested no/minimal conditionality to keep things simple, acknowledging the dedication of the individuals running LGC/CBT/BGA.

HF said that whether conditions would be appropriate would depend on the size of the sums involved and they should be confirmed in writing by the corresponding organisations.

AOB

JD thought that the LGC should make the proposed changes to its constitution before the EGM. GG thought that any LGC constitutional changes should follow on the results of the EGM.

TM suggested that the Board should feel empowered to transfer the Loan Notes to the LGC, and that should provide the impetus for the LGC to make the changes to its constitution. GG and MA both agreed with this suggestion.

HF requested the Board to provide a draft of its proposals and agenda for the EGM so that other members would have an opportunity to comment and make proposals. This was supported by MA.

PAR

12/03/2021