



**Annual Accounts**

**31 December 2019**

**Final Version**

## CONTENTS

Treasurer's Statement .....	3
Auditor's Statement .....	4
Income Statement – Year ended 31 Dec 2019.....	5
Cash Flow Statement – Year ended 31 Dec 2019 .....	6
Balance sheet – Year ended 31 Dec 2019 .....	7
Notes to the Financial Statements.....	8
1 – Accounting policies .....	8
2 – Restatement of 2018 Accounts .....	10
3 – Information regarding officers and employees.....	10
4 – Subscriptions .....	11
5 – Tournaments .....	12
6 – Youth .....	13
7 – Reserves .....	14
8 – Cash Balances.....	14
9 – Taxation.....	15
10 – Costs of Finance .....	15

## TREASURER'S STATEMENT

The Association made an operating surplus of £267 on its normal activities, approximately half that of the (restated) previous year's figure.

### Sponsorship

Following their £5,000 sponsorships in 2018, Deepmind generously provided a further £5,000 for 2019 but as stated in last year's report, we do not anticipate that this will be continued in 2020. Accordingly, the sponsorship income has been spread across 2019 and 2020 to better reflect the use of capital. It is possibly that some of the shortfall will be made up from money from the T Mark Hall Foundation but this is a matter for the TMHF and is subject to their actions to secure the long-term future of the LGC.

### Acknowledgements

I would like to thank Tony Pitchford for auditing these accounts, Gerry Gavigan for his assistance in negotiating the reduction in the insurance costs and for helping keep the LOGC costs away from the BGA accounts, Martin and Helen Harvey for their organization and bookkeeping in relation to the Xian Tournament and Tony Atkins for his support in other tournaments.

The work of Chris Kirkham in managing the subscriptions is greatly appreciated.

## AUDITOR'S STATEMENT

Honorary Auditor's report to the members of the British Go Association for the 2019 Accounts.

I have audited the BGA Accounts for 2019. I have accessed and read the Association's online bank statements that confirm the balances reported.

In my opinion the Annual Accounts for 2019 provide a fair and accurate statement of the financial activities and position of the BGA, and BGA finances are being well managed.



Anthony Pitchford  
Honorary Auditor  
19th March 2020.

## INCOME STATEMENT – YEAR ENDED 31 DEC 2019

<b>Incoming resources:</b>	<b>Notes</b>	<b>2018 (Restated)</b>		<b>2019</b>
Subscriptions	4	£	8,065	£ 8,251.25
Tournament levies	5	£	1,406	£ 1,183.00
Sponsorship Income		£	5,100	£ 2,500.00
BGA Adverts		£	-	£ 100.00
Donations		£	40	£ 195.00
League Income		£	230	£ -
Bank interest		£	127	£ 225.48
Book supplies		£	-	£ -
Tournaments	5	£	3,011	£ 4,200
Misc. Sales		£	903	£ 452.00
<b>Total operating income</b>		<b>£</b>	<b>18,882</b>	<b>£ 17,106</b>
<b>Resources expended:</b>				
Direct membership services		£	5,099	£ 5,200
Tournaments	2,5	£	5,845	£ 5,455
Player development		£	50	£ -
Youth (net)	6	£	4,703	£ 4,007
Outreach		£	1,069	£ 940
Administration	2	£	1,584	£ 1,237
<b>Total operating expenses</b>	<b>2</b>	<b>£</b>	<b>18,351</b>	<b>£ 16,839</b>
<b>Annual net income / (outflow)</b>	<b>2</b>	<b>£</b>	<b>531</b>	<b>£ 267</b>

## CASH FLOW STATEMENT – YEAR ENDED 31 DEC 2019

	Notes	2018 (Restated)	2019
Operating Income for the year	2	£ 531.81	£ 267.47
Adjustments for:			
<i>Depreciation</i>		£ 217.89	£ 149.16
<i>Payables</i>	2	£ (351.33)	£ (331.54)
<i>Deferred Income</i>		£ (1,111.75)	£ 456.63
<i>Receivables</i>		£ 100.00	£ 176.24
<i>Prepayments</i>		£ 1,530.68	£ (2,480.23)
<i>Cheques outstanding</i>		£ 24.00	£ (24.00)
<b>Operating Cash Flow</b>		<b>£ 941.30</b>	<b>£ (1,786.28)</b>
Purchase of equipment		£ (492.30)	£ -
<b>Investing Cash Flow</b>		<b>£ (492.30)</b>	<b>£ -</b>
Deepmind sponsorship for 2020		£ -	£ 2,500.00
Increase / (decrease) in Bar-Low Reserve		£ 600.00	£ (200.00)
Transfer of David Ward Reserve		£ (800.00)	£ -
<b>Financing Cash Flow</b>		<b>£ (200.00)</b>	<b>£ 2,300.00</b>
<b>Total Net Cash Flow</b>		<b>£ 249.00</b>	<b>£ 513.72</b>
Cash at start of year (including restricted cash)		£ 41,103.42	£ 41,352.42
Cash at end of year (including restricted cash)		£ 41,352.42	£ 41,866.15

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## BALANCE SHEET – YEAR ENDED 31 DEC 2019

	Notes	2018 (Restated)		2019	
<b>Noncurrent assets</b>					
Tangible assets		£	911	£	762
<b>Current assets</b>					
Accounts Receivable		£	200	£	24
Prepayments		£	-	£	2,480
Restricted Cash	1,2,8	£	31,833	£	29,641
Cash and Cash Equivalents	1,2,8	£	9,519	£	12,225
		<b>£</b>	<b>41,553</b>	<b>£</b>	<b>44,370</b>
<b>Total Assets</b>					
		<b>£</b>	<b>42,464</b>	<b>£</b>	<b>45,132</b>
<b>Current liabilities</b>					
Accounts Payable	2	£	359	£	27
Unpresented Cheques		£	24	£	-
Deferred income (subs)	4	£	5,114	£	5,479
Deferred income (other)	4	£	-	£	432
		<b>£</b>	<b>5,497</b>	<b>£</b>	<b>5,938</b>
<b>Noncurrent liabilities</b>					
Deferred Income	4	£	4,838	£	4,498
<b>Total Liabilities</b>					
		<b>£</b>	<b>10,335</b>	<b>£</b>	<b>10,436</b>
<b>Reserves</b>					
General reserve	7	£	30,096	£	30,355
Tournament Reserve	5,7	£	1,833	£	1,641
Youth GP Reserve	7	£	100	£	100
Youth Reserve	6,7	£	-	£	2,500
Donation reserve	7	£	100	£	100
<b>Total reserves</b>		<b>£</b>	<b>32,129</b>	<b>£</b>	<b>34,696</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 – ACCOUNTING POLICIES

#### Accounting conventions

The financial statements are prepared in line with IFRS recommendations and in accordance with the historical cost convention.

#### Going concern

The financial statements are prepared on a going concern basis which assumes the Association will have the ability to continue its operations to its members for the foreseeable future.

#### Income

Subscription income represents membership fees collected that relate to the financial year.

Tournament levy income represents amounts charged for BGA services to BGA affiliated tournaments held during the financial year. Levy income varies both with the number of participants at a tournament and with the duration of the tournament. Levy income is recognized when the levy is paid regardless of the date of the particular tournament.

Donations and sponsorship income are typically recognised when received by the BGA, except where stated.

#### Expenditure

Direct membership services represent expenditure which tends to rise incrementally with each member – namely expenditure on the British Go Journal and affiliations to other go organizations.

Tournament expenditure includes expenditure on BGA championship events, tournament equipment and insurance. It also includes the web-site costs. Championship events are run on the BGA's behalf by individuals or clubs. The expenditure recognised is the net amount that the BGA incurs in supporting or underwriting such events.

Player development expenditure includes expenditure on seminars and professional teaching targeted at specific groups of BGA members. Where such events are run on the BGA's behalf by individuals or clubs, the expenditure recognised is the contribution by the BGA to these events.

Youth expenditure represents the net amount incurred by the BGA in supporting the UK Go Challenge, the British Youth Go Tournament, the Youth Grand Prix and the residential camp at



Caythorpe. These events are run by volunteer members who also seek income from participating schools and individuals. The Castledine-Barnes Trust can also provide financial assistance to attendees.

General outreach expenditure represents the cost incurred in activities undertaken by the BGA in promoting go to the wider community, including the cost of sets and equipment aimed at beginners.

Administration expenditure includes costs incurred by Council officers in running the organization and includes items such as travel, postage, stationery and computer maintenance other than that associated with the web-site.

#### Depreciation of Tangible Assets

Depreciation is calculated so as to write off the cost of fixed assets on a straight-line basis over their expected useful lives, writing off Go equipment such as sets and clocks over 8 years and all other equipment over 4 years.

#### Cash & Cash Equivalents

Cash and cash equivalents refers to money held in bank accounts and other securities which can be used for general purposes (including Youth activities) and whose maturities are less than 90 days. This also excludes cash held for specific uses. This is in line with IAS 7 conventions and represents a change in accounting policy from the previous report. The balance sheet numbers for 2018 have been restated in accordance with this policy.

## 2 – RESTATEMENT OF 2018 ACCOUNTS

The 2018 numbers have been restated to reflect additional administrative expenses and expenses and prizes awarded for the 2018 British Championships which were unclaimed and unrecognized at the time and to reclassify cash held against specific targeted reserves and in accounts with maturities greater than three months as restricted cash as per IAS 7 conventions.

Details of the amounts are as shown below:

	As Reported		Adjustments		Restated
<b>Tournament Expenses</b>					
British Championship (expenditure)	£ 771	£	275	£	1,046
British Championship (net cost)	£ 201	£	275	£	476
<b>Income Statement</b>					
Admin expenditure	£ 1,560	£	24	£	1,584
Total Tournament expense	£ 5,570	£	275	£	5,845
Net operating (deficit) /surplus	£ 831	£	(299)	£	532
<b>Balance Sheet</b>					
Accounts Payable	£ 59	£	299	£	359
Restricted Cash	£ -	£	31,833	£	31,833
Cash and Cash Equivalents	£ 41,353	£	(31,833)	£	9,519
Youth GP Reserve	£ -	£	100	£	100
General Reserve	£ 30,495	£	(399)	£	30,096
<b>Cash Flow</b>					
Operating Income for the year	£ 831	£	(299)	£	532
Adjustment for Payables	£ (651)	£	299	£	(351)

## 3 – INFORMATION REGARDING OFFICERS AND EMPLOYEES

The British Go Association is run by volunteers. It has no employees and its officers did not receive any remuneration during the year. (2018 £nil).

## 4 – SUBSCRIPTIONS

Subscriptions represent the BGA's largest source of income. Amounts collected for future years through multiple year memberships are held as deferred income on the balance sheet and released in the respective year to which they relate. The other (non-subscription) deferred income for 2019 relates to moneys already paid for 2020 for the European Youth and Caythorpe events.

	<b>2018</b>	<b>2019</b>
Payments within the year	£ 2,311	£ 3,137
Payments from prior years	£ 5,754	£ 5,114
<b>Total</b>	<b>£ 8,065</b>	<b>£ 8,251</b>
Payments for following year from current	£ 2,763	£ 3,141
Payments from prior years	£ 2,352	£ 2,338
<b>Current Deferred Income from Subs</b>	<b>£ 5,114</b>	<b>£ 5,479</b>
Payments for future years	£ 1,880	£ 1,999
Prior payments for future years	£ 2,958	£ 2,500
<b>Noncurrent Deferred Income from Subs</b>	<b>£ 4,838</b>	<b>£ 4,498</b>
<b>Total Deferred Income from Subs</b>	<b>£ 9,952</b>	<b>£ 9,977</b>
Current deferred income other than subs	£ -	£ 432
<b>Total Deferred Income</b>	<b>£ 9,952</b>	<b>£ 10,409</b>

## 5 – TOURNAMENTS

The proceeds and expenses related to major tournaments are as follows:

	2019			Net cost 2018	
	Income	Expenditure	Net Cost	As stated	Restated
British Championship	£ -	£ 305	£ 305	£ 201	£ 476
British Congress	£ 3,959	£ 3,753	£ (205)	£ 174	£ 174
LOGC	£ -	£ -	£ -	£ 300	£ 300
Pair Go	£ 26	£ 17	£ (8)	£ 16	£ 16
Youth Grand Prix	£ 100	£ 100	£ -	£ -	£ -
Other Tournaments	£ 115	£ 248	£ 133	£ 50	£ 50
Tournament Support Costs	£ -	£ 1,031	£ 1,031	£ 1,819	£ 1,819
	<b>£ 4,200</b>	<b>£ 5,455</b>	<b>£ 1,256</b>	<b>£ 2,559</b>	<b>£ 2,834</b>

The general costs of tournament support are down, mainly due to a substantial reduction in the insurance costs, despite which the overall level of cover for both equipment and public liability for tournament organizers and BGA members in general has increased.

The LOGC was held again at the LGC and the finances for this will be covered in the LGC report. No levies are claimed from the LGC as they are not using BGA or equipment or benefitting from the BGA's insurance cover but no sponsorship is provided from BGA funds except where specifically allocated at the request of donors.

Both the Cornwall and Leo Philip's Isle of Man tournaments lost money and these losses were covered by the BGA. The Scottish Open also failed to turn a profit and no levy was received.

Tournament costs do not include the cost of sending Youth representatives to non-UK tournaments including the European Youth or the Chinese-sponsored tournament in Xian. The costs of these are considered under Youth development.

Cash reserves are held by the BGA specifically for the organization of certain events as the result of donors' requests. Details of these reserves are as follows:

	31-Dec-18	Income	Outgoing	31-Dec-19
Pair Go	£ 503	£ 8	£ -	£ 511
Bar-Low	£ 1,330	£ -	£ 200	£ 1,130
<b>Total</b>	<b>£ 1,833</b>	<b>£ 8</b>	<b>£ 200</b>	<b>£ 1,641</b>

The money previously held in reserve for the David Ward Cup is now held in reserve by the London Go Centre.

## 6 – YOUTH

With the expenditure on other income also compensated by donations from Sheddingdean School and the Castledine-Barnes trust, the major outgoings on Youth were concentrated around the British Youth and the residential at Caythorpe. The lack of availability of Aston school caused a significant increase in venue costs compared to 2018 and this may be sustained throughout 2020. Since the Deepmind sponsorship has now finished and since costs associated with the European Youth are expected to resume again in 2020, new funding sources and cost-reductions for these activities will be required.

	<b>2018</b>	<b>2019</b>
Hoodies and Badges	£ 978	£ -
European Youth Go Congress	£ 1,107	£ -
Youth Residential at Caythorpe	£ 1,441	£ 2,343
UK Go Challenge	£ 530	£ -
British Youth	£ 195	£ 1,195
Xian Tournament (net)	£ -	£ 436
Other Activities	£ 451	£ 34
<b>Total</b>	<b>£ 4,702.74</b>	<b>£ 4,006.87</b>

For the first time in 2020, a delegation of youngsters was sent to an international tournament in Xian. The bulk of the costs of this were met by parents and by the Chinese organizers. However, due to visas, sundry expenses and a shortfall in the payments expected from the organizers, costs were incurred by the BGA.

## Spending on the Xian Tournament:

Income	£ 3,447
Expenditure	£ 3,883
<b>Net Cost</b>	<b>£ 435.66</b>

Since 2017, the BGA has organized a youth residential camp at Caythorpe Court, near Grantham, Lincolnshire Caythorpe to promote Youth Go, provide teaching and foster a sense of community amongst the youngsters. This year, the anticipated subsidy of teaching costs was combined with an unintended subsidy of accommodation costs due to mispricing leading to higher than expected costs.

## Spending on the Youth Residential at Caythorpe:

<i>Venue Costs</i>	£ 7,020.00
<i>Teaching Expenses</i>	£ 400.00
<i>Travel and other sundries</i>	£ 122.50
<i>Entry Fees</i>	-£ 5,200.00
<b>Net Cost</b>	<b>£ 2,342.50</b>

## 7 – RESERVES

The general reserve represents the funds available for the running of the BGA's activities. The BGA Council has discretion to agree the transfer of funds between the various reserves.

The tournament Reserve consists of funds to subsidize and to provide prizes for the Bar-low, Pair Go and Youth Grand Prix tournaments. See under Tournaments for details.

The Youth reserves reflects the money held from the Deepmind sponsorship received in 2019 but allocated for 2020 when we anticipate further purchases of hoodies and batches and increased costs associated with the sending a delegation to the European Youth tournament.

The Pair Go Promotion Reserve is for the annual Pair Go Competition.

The donation reserve arises from tangible fixed assets (the Asahi boards) previously donated to the BGA in September 1989. A nominal value of £100 was assigned to the boards at this time.

With these exceptions, the BGA's reserves are unrestricted in use.

## 8 – CASH BALANCES

At 31 December 2019, the BGA's resources of cash, cash equivalents and restricted cash were held as follows:

	<b>2018</b>	<b>2019</b>
Petty Cash	£ 10	£ 154
HSBC Current A/C	£ 2,601	£ 2,612
Paypal A/C	£ 1,645	£ 1,948
BMM Account	£ 7,097	£ 9,151
Money Market	£ 6,000	£ 6,000
Money Market	£ 6,000	£ 6,000
Money Market	£ 10,000	£ 8,000
Money Market	£ 8,000	£ 8,000
<b>Total</b>	<b>£ 41,353</b>	<b>£ 41,866</b>
Cash held for tournament reserves	£ 1,833	£ 1,633
Accounts with maturities > 3 months	£ 30,000	£ 28,000
<b>Total Restricted Cash</b>	<b>£ 31,833</b>	<b>£ 29,633</b>
<b>Cash available for general activities</b>	<b>£ 9,519</b>	<b>£ 12,233</b>

## 9 – TAXATION

The BGA is not registered for VAT.

The BGA would normally be due to pay Corporation Tax (at 19%) on its bank interest. However, as the liability would be less than £100, Her Majesty's Revenue and Customs has made a dispensation so that no tax is payable (leaflet IR 46). Interest is received gross.

## 10 – COSTS OF FINANCE

The cost of providing membership services via PayPal is noticeably greater than that of Direct Debit and DD payments are believed more likely to be sustained over time (since it involves no effort on the part of the member). For these reasons, members are slowly being steered towards renewing by DD rather than PayPal. The GoCardless fees are in increasing in 2020 with the addition of a flat rate 20p fee which will almost double the cost but this will still represent considerably better value than PayPal.

	<b>2018</b>	<b>2019</b>
HSBC Fees (inc Forex)	£ 33	£ 5
Paypal Fees	£ 195	£ 252
Go Cardless (DD) Fees	£ 8	£ 16
<b>Total Fees</b>	<b>£ 236</b>	<b>£ 272</b>
Interest Paid	£ -	£ -
Interest Received	£ 127	£ 225
<b>Net Finance Cost</b>	<b>£ 108</b>	<b>£ 47</b>