

BRITISH CHESS FEDERATION
ANNUAL COUNCIL MEETING 17 OCTOBER 2015
ANNUAL REPORT OF THE MANAGEMENT BOARD

C 21.6

This report is provided by the BCF Management Board pursuant to paragraph 5.5 of the BCF Constitution.

The Management Board

Under paragraph 5.2 of the BCF Constitution, the Management Board consists of the Officers, who are defined by paragraph 3.3 as “the Directors (with the exception of any Director who elects in writing not to so serve and in that event the Board of English Chess Federation shall appoint replacement Directors) and the Secretary of English Chess Federation, for the time being, including the President thereof, who shall also be the President of the Federation.” No Directors have elected in writing not to so serve, so the Management Board since the 2014 Annual Council Meeting has comprised:

Dominic Lawson (President)	David Thomas (Membership Director)
Phil Ehr (Chief Executive)	Bob Kane (Commercial Director)
David Eustace (Finance Director)	Julian Clissold (Non-Executive Director)
Alex Holowczak (Home Director)	John Foley (Non-Executive Director)
David Openshaw (International Director)	John Philpott (Secretary)
Traci Whitfield (Junior Director)	

The Management Board for 2015/16 will be the same as the ECF Board elected at the AGM (unless any Director elects in writing not to serve) plus the Secretary, and for this reason there is no item on the present BCF agenda relating to elections.

The need for an ongoing BCF

When the English Chess Federation was established in 2005 as a company limited by guarantee, the BCF was retained as a separate organisation for the following reasons:

- (a) There are wills that have been made benefitting the BCF. In the event of the dissolution of the BCF, it is not certain that the benefits would pass to a successor organisation.
- (b) The BCF constitution does not provide for the dissolution of the BCF.
- (c) Any dissolution, however, carefully arranged, might overlook some asset or liability of the BCF which it would be difficult to novate.
- (d) The name might be adopted by others.

The BCF Constitution was simplified at the time, and an additional object included, namely “to support the English Chess Federation”.

The general fund and the legacies fund as they stood at the date of transfer were moved to the ECF, and subsequently the BCF has, with one significant exception, merely acted as a conduit for funds to reach the ECF. The significant exception relates to the Permanent

Invested Fund (“PIF”). This was established by a trust deed in 1929, and while the trust deed as periodically renewed is in force, this remains legally the PIF of the BCF rather than the ECF, and therefore continues to be reported in the BCF rather than the ECF accounts.

The PIF trustees

The present trustees of the Permanent Invested Fund are:

Ray Edwards
Julian Farrand
Keith Richardson

The trustees are members both of the BCF Council and ECF Council. The Management Board gratefully acknowledges the responsiveness of the Trustees to all requests for information that have been made, and for their continuing to make available each year £5,000 towards the British Chess Championships.

The future of the Permanent Invested Fund

The April 2014 Finance Council Meeting authorised a renewal of the PIF trust deed until 20th May 2016. In order to avoid the need for a further extension, decisions as to the future of the Fund will need to be taken either at the 2016 Finance Council Meeting or at an EGM prior to the expiry of the deed. The Chess Trust has now been established as a registered charity, and would be a logical and tax-efficient destination for the investments currently held within the PIF: the current PIF trustees are all trustees of the Chess Trust along with, ex officio, the ECF Chief Executive and Finance Director.

Chess Centre Ltd

The shares in Chess Centre Ltd represent an asset of the Permanent Invested Fund. As foreshadowed in last year’s report, Alan Martin has stood down as a director, and the Board of the company now comprises David Eustace, John Philpott and Gerry Walsh.

The company continues to receive income on its investments. During its financial year a loan of £20,000 that it had made to the English Chess Federation was repaid.

BCF accounts

It had originally been hoped to accelerate the process of preparing the BCF accounts for the year ended 31 August 2015 so that these could be approved at the present meeting. In the event the limited time available meant that this has proved too great a challenge, and the accounts will be presented for approval to the BCF EGM held on the same day as the ECF Finance Council Meeting.

The market value of the PIF Investments on 31 August 2015 was as follows:

PIF 1 (excluding Chess Centre Ltd) – £163,309 (2014 - £160,516)
PIF 2 (Robinson) – £121,599 (2014 - £120,209)