



All Guns Blazing!

Newsletter of the Naval Wargames Society

No. 171 – June 2008

Editorial

A slight delay this month caused by the continuing saga of my wargames room. Construction work is complete, the walls and woodwork are painted and the carpet is down, but now Liz has decided that she'd like the new room. That has meant shifting her stuff – and the computer – into the new room (which is bigger and has a loft, so I'm not complaining; permanently rigged wargames table here we come!). The one downside though is that it's meant my desktop PC, where I work on AGB, has been out of action for a while. Still, I'm back online now.

This month we don't have a battle report. Instead, Andrew Finch of A&A Game Engineering and the Tunbridge Wells Wargames Society has offered an interesting piece on the perils of UK tax laws and the wargamer. Essential reading I think!

CALLING ROB MORGAN – can Rob Morgan please contact me urgently **BY EMAIL**. If anyone is in touch with Rob could they please pass on the message.

Yours aye,

DM

david.manley@btinternet.com

John Curry Events

The following message was received from John Curry:

The latest article I have added is by Richard Brooks (the military historian) who kindly agreed to let me reproduce his article about Fred Jane (see <http://www.johncurryevents.co.uk/navalrules/fredjane/articles.htm>).

The Fletcher Pratt game has attracted some comment and there are now 7 articles about it on my website (see <http://www.johncurryevents.co.uk/navalrules/fletcherpratt/articles.htm>).

I have obtained another rare naval wargame that I will produce in due course.

The next Innovation in Wargames Conference (February 2009) is on HMS Belfast, a glorious place to play wargames on! (see <http://www.johncurryevents.co.uk/conference/homepage.htm>).

The conference will include a wargaming show for the public on Saturday the 28th February 2009. I will take the opportunity to try out a few classic naval games.

www.johncurryevents.co.uk

Taxation and the Wargames Community

By Andrew Finch

At the end of 2007 I became Secretary of our local Wargames Society, and got involved in the detailed administration of its affairs. One thing that had been of some concern over a number of years was the gradual increment in our financial reserves, and whether we had any tax liability. A bit of investigation with HM Revenue and Customs on the phone and via their website certainly opened up a can of worms, which I feel it wise to pass on to the greater wargaming community.

With effect from the Financial Year 2006/2007, changes in Corporation Tax law have meant that all clubs and societies are now potentially liable to pay Corporation Tax on any income that comes from commercial activities. This commercial income is not the membership subscription, but is any income you derive from trade, such as running an Open Day such as our Cavalier show, SELWG, Salute, Colours, etc., etc. The money taken by the club from traders to hire their pitch, commission from Bring and Buy, entry tickets, and souvenir items all counts as income. Against this you can offset the hire of the venue, any expenses such as advertising, ticket printing, cost of production of souvenirs, and other organisational activities for the event. NOTE that bank interest is regarded as commercial income.

There is a minimum amount which allows for societies to have a small amount of net income without having to pay tax, and that was £100 tax liability, which at 19% (2006/7) represented a net income of £526.

I have to say that our local HMRC office was very helpful, and clarified several areas which are at first unclear. For example, in our case, the Open Day has served in the main to ensure that we can afford to have a roof over our heads for our regular club meetings as the hall hire exceeds the annual subscriptions we get from our members. What you cannot do is offset the loss from the regular hire charges against the income from the commercial activities. The club meeting costs and subscriptions are regarded as mutual trading, and should be kept separate within the accounts.

A further area where you have to be careful is if the society invested in club armies or other items of equipment. Firstly, these count as assets, and you need to record the cost of these. Should you subsequently sell them when they are surplus to requirements, then there is a potential capital gain to watch out for.

Well, you are asking yourself, what do we need to do ?

Strictly speaking you first need to register your club with HMRC (there is a form on their website that you can download). That will then set up a tax reference and you will be in the system. The next thing that should happen is that you will receive a demand for a Corporation Tax return. We used the short form, which is easy to fill out (most of the boxes you can leave blank). You then work out the tax you owe (19% in 2006/7, 20% in 2007/8) and send off the form with a cheque for the money.

The tax years run from April 1st to March 31st, and it is sensible to make your club financial year run on the same basis otherwise you will have awkward calculations to do. We contacted the local HMRC about the situation before Christmas 2007. The deadline for submitting the first return would have been 31st March 2008, but it was unlikely that we would be able to submit the return on time (as proved to be the case). We were however given an extension to normal deadline for submitting the return by HMRC, this avoiding a significant penalty for non presentation of the return. What we could not avoid was the penalty for late payment, though the amount we had to pay was not onerous.

What you need to bear in mind is that the change in the Corporation Tax law came about without, apparently, anyone considering the effects on small societies. Can you spot any other changes in recent weeks where the outcome of legislation has not been properly thought through (I shall not indulge in a political rant at this stage).

Having jumped through the admin loops required to get our own society sorted out I do not regret

that we have sorted ourselves out. It does mean that we can now plan properly for future of the society. We want to keep our Open Day running to finance the society, and it is in the end better for the Committee to know that everything is above board. Even our medium sized event is well known, and the bigger the event the more likely it is to start showing up on the radar somewhere. Remember that your venues are also having to submit tax returns and one thing can lead to another...

If you are interested in a bit more of the nitty gritty about the situation, I am happy to give you the (questionable) benefit of our experience. You can contact me at secretary@twws.org.uk.

June 2008

NWS Events and Regional Contacts, 2008

NWS Northern Fleet – Falkirk East Central Scotland

Kenny Thomson, 1 Excise Lane, Kincardine, Fife, FK10 4LW, Tel: 01259 731091
e-mail: kenny.thomson@homecall.co.uk - Website: <http://falkirkwargamesclub.org.uk/>

Falkirk Wargames Club meets each Monday night at 7pm with a variety of games running each evening. Naval games are popular with 2 or 3 run each month. Campaign games sometimes feature in our monthly weekend sessions. Games tend to be organised week to week making a 3-month forecast here a waste of time. Please get in touch if you'd like to come along.

- Popular periods – Modern (Shipwreck), WW1 and 2 (GQ), WW2 Coastal (Action Stations), and Pre-dreadnought (P Dunn's rules)
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NWS North Hants [Every 3rd Sunday]

Jeff Crane 31 Park Gardens, Black Dam, Basingstoke, Hants, 01256 427906
e-mail: gf.crane@ntlworld.com

NWS Wessex [Bi-Monthly Meetings]

The Wessex Group has gone into (hopefully) temporary abeyance for the moment. If anyone living in the Bath / Bristol / Gloucester area (or further afield) would like to take on managing the group please contact myself or any of the other NWS officials.
