

Registered number 32308R

Fair Tax Mark Limited

Financial Statements

**for the year ended
31 December 2015**

Fair Tax Mark Limited
Legal and administrative details
as at 31 December 2015

Status

A Registered Society registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 on 18th February 2014.

Registration number

32308R

Registered Office and Trading Address

Unit 22
41 Old Birley Street
Manchester
M15 5RF

Directors

Richard Murphy
Leonie Nimmo (Resigned on 15th December 2015)
Tim Hunt
Rob Harrison
Paul Monaghan
Meesha Nehru (Resigned on 11th February 2016)
Joanna Long (Appointed on 15th December 2015)

Secretary

Rob Harrison

Accountants

Slade & Cooper Limited
46-50 Oldham Street
Manchester
M4 1LE

Bankers

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Fair Tax Mark Limited
Directors' report
for the year ended 31 December 2015

The directors present their report and unaudited financial statements for the year ended 31st December 2015.

Incorporation and commencement to trade

The company was incorporated on 18th February 2014. It commenced to trade on that date and in doing so took over the trade and assets of the Fair Tax Campaign, a company limited by guarantee. No consideration was paid.

Results for the year

After its first full year of trading, the Directors are pleased to report a small loss of £2,248 on a turnover of £75,021. This is in line with our projections for the society made in 2014 as the organisation grows to a more profitable size in future years.

With our share capital standing at £84,498, and cash at bank of £81,925, we continue to hold adequate reserves to absorb such losses as we continue to grow.

Tax policy

We are committed to paying all the taxes that we owe in accordance with the spirit of all tax laws that apply to our operations. We believe that paying our taxes in this way is the clearest indication we can give of our being responsible participants in society.

We will fulfil our commitment to paying the appropriate taxes that we owe by seeking to pay the right amount of tax (but no more), at the right rate, in the right place and at the right time. We aim to do this by ensuring that we report our tax affairs in ways that reflect the economic reality of the transactions we actually undertake in the course of our trade.

What we will not ever do is seek to use those options made available in tax law or the allowances and reliefs that it provides in ways that are contrary to the spirit of the law. Nor will we undertake specific transactions with the sole or main aim of securing tax advantages that would otherwise not be available to us based on the reality of the trade that we undertake. As a result the company will never undertake transactions that would require notification to HM Revenue & Customs under the Disclosure of Tax Avoidance Schemes Regulations or participate in any arrangement to which it might be reasonable anticipated that the UK's General Anti-Abuse Rule might apply.

We believe tax havens undermine the UK's tax system. As a result whilst we will trade with customers and suppliers genuinely located in places considered to be tax havens we will not make use of those places to secure a tax advantage, and nor will we take advantage of the secrecy that many such jurisdictions provide for transactions recorded within them.

Our accounts will be prepared in compliance with this policy and will seek to provide all that information that users, including HM Revenue & Customs, might need to properly appraise our tax position.

The Board shall be responsible for overseeing the application of this policy.

The Board will review this policy with our accountants annually to ensure that it is complied with.

Fair Tax Mark Limited
Directors' report
for the year ended 31 December 2015
(continued)

Statement of directors' responsibilities

The law governing Co-operative and Community Benefit Societies requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society as at the balance sheet date and of its income and expenditure for the year then ended. In preparing those financial statements, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent.
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the co-operative will continue in business.

The directors are responsible for keeping proper books of account such as are necessary to give a true and fair view of the society's state of affairs and to explain its financial transactions. The directors must also establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances, and hence are responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

R Harrison (Director)

Date

**Accountants' Report to the directors
on the preparation of the unaudited statutory accounts of
Fair Tax Mark Limited
for the year ended 31 December 2015**

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Society Act 2014, we have prepared for your approval the accounts of Fair Tax Mark Limited for the period ended 31 December 2015 as set out on pages 5 to 9 which comprise of the Income and expenditure account, the Balance Sheet and the related notes from the company's accounting records and information and explanations you have given to us.

As a member firm of the Association of Chartered Certified Accountants (ACCA), we are subject to its ethical and other professional requirements which are detailed at <http://rulebook.accaglobal.com/>.

This report is made to the Board of Directors of Fair Tax Mark Limited, as a body, in accordance with the terms of our engagement letter dated 14 May 2015. Our work has been undertaken solely to prepare for your approval the accounts of Fair Tax Mark Limited and state those matters that we have agreed to state to them, as a body, in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/factsheet163>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Fair Tax Mark Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Fair Tax Mark Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit/loss of Fair Tax Mark Limited. You consider that Fair Tax Mark Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Fair Tax Mark Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Slade & Cooper Limited
Chartered Certified Accountants
Green Fish Resource Centre
46-50 Oldham Street
Manchester
M4 1LE

Fair Tax Mark Limited
Revenue account
for the year ended December 31st 2015

	Note	2015	2014
		£	£
Turnover	1	75,021	15,018
Expenditure		(76,567)	(42,775)
Other operating income			
Grants	2	3,510	1,500
		3,510	1,500
Operating surplus/(deficit)		1,964	(26,256)
Interest receivable and other income		63	39
Interest payable and similar charges		(4,275)	(1,909)
		(2,248)	(28,127)
Deficit on ordinary activities before taxation		(2,248)	(28,127)
Taxation	3	-	-
		-	-
Retained deficit for the year		£ (2,248)	£ (28,127)

Fair Tax Mark Limited
Balance sheet
as at 31 December 2015

	Note	2015		2014	
		£	£	£	£
Current assets					
Debtors	5	7,622		2,074	
Cash at bank and in hand		81,925		70,210	
		<hr/>		<hr/>	
		89,547		72,284	
Creditors: amounts falling due in less than one year	6	(35,424)		(25,977)	
		<hr/>		<hr/>	
Net current assets			54,123		46,307
			<hr/>		<hr/>
Total assets less current liabilities			54,123		46,307
			<hr/> <hr/>		<hr/> <hr/>
Capital and reserves					
Share capital	7		84,498		74,434
Reserves	8		(30,375)		(28,127)
			<hr/>		<hr/>
			£ 54,123		£ 46,307
			<hr/> <hr/>		<hr/> <hr/>

Approved by the directors and signed on their behalf by:

Director

Director

Date

Secretary

Fair Tax Mark Limited
Notes to the Accounts
for the year ended 31 December 2015

1 Accounting policies

a Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

b Turnover

Turnover represents the net total of licence fees and other services sold during the financial year, excluding VAT and is entirely attributable to activity within the United Kingdom. Licence fee income is deferred over the period of the licence, starting from the invoice date.

c Grants

Revenue grants are recognised when received. Unspent revenue grants are carried forward as deferred income.

d Cash flow statement

The co-operative has taken advantage of the exemption under Financial Reporting Standard 1 from preparing a Cash Flow Statement on the grounds that it is a small entity.

2 Grants

	2015 £	2014 £
Network for Social Change	3,510	1,500
	£ 3,510	£ 1,500

3 Taxation

	2015 £	2014 £
UK corporation tax for the year	-	-

No tax was payable due to the losses made. The tax losses carried forward which are available to set against future profits are £28,375.

The company has no deferred tax liabilities. The deferred tax asset arising from the accumulated losses has not been recognised for accounting purposes.

4 Directors' remuneration

	2015 £	2014 £
Directors' remuneration	£ 15,390	£ 4,500

Other transactions with directors are set out in note 9.

Fair Tax Mark Limited
Notes to the Accounts
for the year ended 31 December 2015 (continued)

5 Debtors

	2015 £	2014 £
Accrued income	-	1,174
Prepayments	63	-
Trade debtors	7,559	900
	<hr/>	<hr/>
	£ 7,622	£ 2,074
	<hr/> <hr/>	<hr/> <hr/>

6 Creditors: amounts falling due in less than one year

	2015 £	2014 £
Accruals	3,944	3,735
Deferred income	10,181	9,478
Trade creditors	5,102	2,338
Taxation and social security	6,311	1,851
Loan from Ethical Consumer Research Association Ltd	6,536	6,225
Loan from Richard Murphy	2,350	2,350
Un-issued shares paid up	1,000	-
	<hr/>	<hr/>
	£ 35,424	£ 25,977
	<hr/> <hr/>	<hr/> <hr/>

7 Share capital

	2015 £	2014 £
Shares of £1 each issued and fully paid at 1 January 2015	74,434	-
Shares issued during the year	6,100	72,750
Shares issued in payment of interest 31/12/15	3,964	1,684
	<hr/>	<hr/>
Shares of £1 each issued and fully paid at 31 December 2015	£ 84,498	£ 74,434
	<hr/> <hr/>	<hr/> <hr/>

8 Reserves

	2015 £
Accumulated deficit brought forward	(28,127)
Retained deficit for the year	(2,248)
	<hr/>
	£ (30,375)
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Fair Tax Mark Limited
Notes to the Accounts
for the year ended 31 December 2015 (continued)

9 Related party transactions

Ethical Consumer Research Association Limited (ECRA)

Rob Harrison, Leonie Nimmo and Tim Hunt are directors of Fair Tax Mark Limited and of ECRA. During the year ECRA made the following charges to Fair Tax Mark Limited:

	2015 £	2014 £
Office expenses and staff costs recharged	£ 8,664	£ 10,793

The balances owing to ECRA at the year end were as follows:

	2015 £	2014 £
Accrued charges for office expenses and wages	2,366	3,813
Loan	6,000	6,000
Accrued interest on loan	536	225
Less: grant funding due	-	(1,174)
	<u>£ 8,902</u>	<u>£ 8,864</u>

The loan from ECRA is accruing interest at 5% per annum.

Richard Murphy and Fair Tax Campaign

Richard Murphy is a director of Fair Tax Mark Limited and was a director of Fair Tax Campaign. The trade and assets of Fair Tax Campaign were transferred to Fair Tax Mark Limited at their book value, being the bank balance of £7,962, less a loan from Richard Murphy of £2,500. Interest on this loan has been waived by the lender.

	2015 £	2014 £
Balance of loan from Richard Murphy at the balance sheet date	<u>2,350</u>	<u>2,350</u>

Consultancy fees paid to directors

	2015 £	2014 £
The following directors were paid consultancy fees during the year:		
Paul Monaghan	9,796	-
Joanna Long	-	5,476
Meesha Nehru	-	1,191
	<u> </u>	<u> </u>

There were no balances due at the balance sheet date. All fees were paid at arm's length value.

Directors' shares

All directors have been each allotted ten shares, which are fully paid. These shares attract interest at the same rate as all other shares.