Tax Research LLP
Report and Accounts
31 March 2013

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# Tax Research LLP Members' Report

The members present their report and accounts for the year ended 31 March 2013

## **Principal activities**

The LLP's principal activity during the year continued to be the undertaking of research on taxation and related economic issues. The principle activities are the publication of a blog (<a href="www.taxresearch.org.uk/blog">www.taxresearch.org.uk/blog</a>) and specific research and advocacy projects related to taxation issues, mainly as they impact on poverty. During the year in question principle funding came from a grant paid in the previous financial year by the Task Force on Financial Integrity and Economic Development, ultimately funded by the Norwegian and Spanish governments to work on advocacy for country-by-country reporting, which was a project that saw major progress in the year. In addition, income paid as a personal grant by the Joseph Rowntree Charitable Trust to Richard Murphy, the Director of Tax Research LLP is accounted for within the LLP for disclosure purposes. The grant in question was used to fund a wide range of issues, the most notable of which related to a General Anti-Avoidance Principle for the UK, which has now been enacted as a General Anti-Abuse Rule. Smaller projects were undertaken with the TUC, PCS and Unite on policy matters relating to UK taxation and for the Tax Justrice Network in connection with what has now become the Fair Tax Mark.

The work the LLP has undertaken was successful during the year. A new book entitled 'Over here and under taxed' was published. A private member's bill was written for Michael Meacher MP in the House of Commons on a general anti-avoidance principle. Tax rose up the public agenda and contribution was made to many of the leading tax stories that arose during the year including those on Google, Amazon and Starbucks. That progress continued in the next accounting year and is documented on the Tax Research UK blog.

### Designated members

The following persons served as designated members during the year

Richard Murphy Jacqueline Murphy

# Policy with respect to members' drawings and subscription and repayment of members' capital

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is assessed during the course of each financial year, taking into account the anticipated cash needs of the LLP.

This report was approved by the members on 6 December 2013 and signed on their behalf by

Richard J Murphy Designated member 06 December 2013

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Tax Research LLP
Profit and Loss Account
for the year ended 31 March 2013

	Notes	2013 £	2012 £
Turnover	2	73,954	77,188
Cost of sales		2,632	(1,165)
Gross profit		76,586	76,023
Administrative expenses		(11,374)	(10,937)
Operating profit	3	65,212	65,086
Interest receivable		39	13
Profit before members' remuneration and profit share		65,251	65,099
Profit for the financial year available for discretionary division among members		65,251	65,099

Tax Research LLP

Registered number: OC316294

Balance Sheet as at 31 March 2013

	Notes	2013 £	2012 £
Fixed assets		L	L
	4	489	1 700
Tangible assets	4 -	409	1,700
Current assets			
Stocks		3,152	520
Debtors	5	8,273	947
Cash at bank and in hand		7,034	33,279
	_	18,459	34,746
Creditors: amounts falling due within one year	6	(8,750)	(24,137)
Net current assets		9,709	10,609
Total assets less current liabilities		10,198	12,309
Net assets attributable to members	_ _	10,198	12,309
Represented by:		٠	
Members' interests			
Reserves	7	10,198	12,309
Members' other interests	_	10,198	12,309
	<del></del>		

For the year ended 31 March 2013 the LLP was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulațions 2008

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime

These accounts were approved by the members on 6 December 2013 and signed on their behalf by

Richard J Murphy Designated member



# Tax Research LLP Notes to the Accounts for the year ended 31 March 2013

# 1 Accounting policies

#### Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice (SORP), "Accounting by Limited Liability Partnerships"

#### Turnover

Turnover represents the value of grants received from funders attributable to activities undertaken in the year and services provided to research clients as well as costs recovered in relation to research and other work undertaken. Included in the financial statements is a grant paid by the Joseph Rowntree Charitable Trust to Richard Murphy in a personal capacity but included in the income of the partnership for the sake of full disclosure. Grants received relating to work to be undertaken after the balance sheet date is treated as income in advance.

### Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Plant and machinery

33 3% straight line

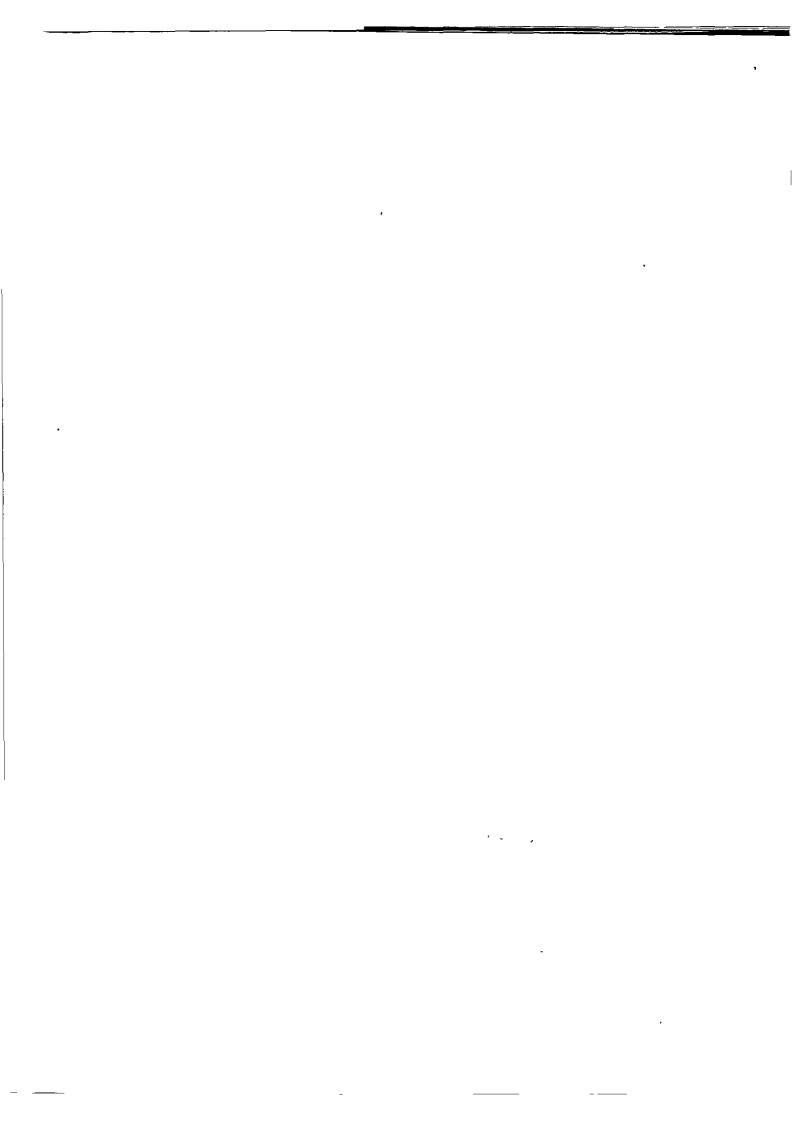
#### Stocks and work in progress

Stock and work in progress is valued at the lower of cost and net realisable value

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account

2	Turnover	2013	2012
	Turnover attributable to geographical markets outside the UK	1%	42%
3	Operating profit  This is stated after charging	2013 £	2012 £
	Depreciation of owned fixed assets	1,710	1,544



# Tax Research LLP Notes to the Accounts for the year ended 31 March 2013

Jacqueline Murphy

4	Tangible fixed assets		
			Plant and machinery
			machinery £
	Cost		4 620
	At 1 April 2012 Additions		4,632 499
	At 31 March 2013		5,131
	Depreciation		
	At 1 April 2012		2,932
	Charge for the year		1,710
	At 31 March 2013		4,642
	Net book value At 31 March 2013		489
	At 31 March 2012		1,700
5	Debtors	2013 £	2012 £
	Trade debtors	7,851	500
	Prepayments	422	447
		8,273	947
6	Creditors: amounts falling due withın one year	2013	2012
Ü	Creditors, amounts failing due within one year	2	£
	Income in advance	8,750	24,137
		Member's	
7	Total members' interests	capital	Total
		£	£
	Balance at 1 April 2012	12,309	12,309
	Profit for the financial year available for discretionary division		
	among members	65,251	65,251
	Members' interests after profit for the year	77,560	77,560
	Drawings	(67,362)	(67,362)
	Balance at 31 March 2013	10,198	10,198
	99% of profit was allocated to Richard Murphy during the course o	f the year and 1%	to

# Tax Research LLP Notes to the Accounts for the year ended 31 March 2013

## 8 Grants and income received

Grants in the year from charities and research foundations for which no services were supplied in exchange were as follows

		2013	2012
		£	£
Task Force for Financial Integrity and Economic Development	•	-	18,460
Joseph Rowntree Charitable trust		35,000	35,000

£9,136 of the grant received from the Task Force for Financial Integrity and Economic Development in the year to 31 March 2012 was accounted for as income in the year to 31 March 2013

The balance of income generated was for undertaking consultancy engagements. The major sources of income during the year were

	2013
	£
Tax Justice Network	5,000
PCS	4,000
TUC	3,600
Unite	7,500

The balance of income came from smaller consultancy engagements, broadcasting fees, book sales and royalties and expense reimbursements

Income received in advance of services being supplied, or where an award would be refundable if conditions attaching to its grant had not been fulfilled, are treated as income in advance at the year end date