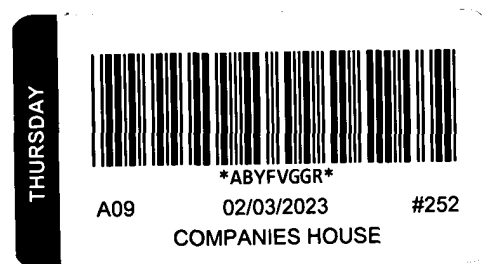


**CORPORATE ACCOUNTABILITY NETWORK LIMITED  
DIRECTORS' REPORT AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**



**Corporate Accountability Network Limited  
Directors' Report and Unaudited Financial Statements  
For The Year Ended 30 June 2022**

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**Contents**

	<b>Page</b>
Company Information	1
Directors' Report	2—3
Income and Expenditure Account	4
Balance Sheet	5
Notes to the Financial Statements	6—8
The following pages do not form part of the statutory accounts:	
Detailed Income and Expenditure Account	9

**Corporate Accountability Network Limited  
Company Information  
For The Year Ended 30 June 2022**

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<b>Directors</b>	John Christensen Adam Leaver Richard Murphy Meesha Nehru
<b>Secretary</b>	Richard Murphy
<b>Company Number</b>	11791864
<b>Registered Office</b>	33 Kingsley Walk Ely CB6 3BZ
<b>Business</b>	33 Kingsley Walk Ely CB6 3BZ

**Corporate Accountability Network Limited**  
**Company No. 11791864**  
**Directors' Report For The Year Ended 30 June 2022**

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The directors present their report and the financial statements for the year ended 30 June 2022.

**Statement of Directors' Responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing the financial statements the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Principal Activity**

The company's principal activity is research into and the promotion of corporate accountability and accounting reform.

**Review of Business**

The company enjoyed a successful year.

The work funded by Luminate on audit reform came to a close. We were keen to continue but due to a succession of ministerial change at the Department for Business, Energy and Industrial Strategy almost all activity by them on this issue appeared to cease, making further investment of activity hard to justify. If the issue revives in due course we may seek to make further progress on this matter.

In September 2021 a contract was secured with Copenhagen Business School for the involvement of CAN in a project called Time Mirror. There are more details on this project here. <https://www.cbs.dk/en/research/cbs-research-projects/research-projects-overview/b1f39498-52a2-4a9d-81cc-982aba9e8a6c>

CAN's involvement in the project is to:

- Develop an accounting standard for sustainable cost accounting. A first draft of this was published in March 2022. See <https://www.taxresearch.org.uk/Blog/wp-content/uploads/2022/03/FRS-on-Accounting-for-Environmental-Change-3-22.pdf>. This standard is expected to be refined over time.
- Develop approaches via case studies on how sustainable cost accounting might be used.
- Provide advice and support to other researchers on the project relating to the concept and theory underpinning sustainable cost accounting and support research publications as a result.

The contract is, as a whole, worth approximately £75,000 with billing taking place to recognise work undertaken in each period as agreed with the project leaders.

**Income for the year**

The income recognised during the course of the year came from the following sources:

Luminate £15,868  
Time Mirror, Copenhagen Business School, £21,600  
Total, £37,468

The company has chosen to retain a modest surplus arising as a result of the activity undertaken during the year and may continue to do so in future periods to build up reserves to fund future research activity.

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**Corporate Accountability Network Limited  
Directors' Report (continued)  
For The Year Ended 30 June 2022**

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**Review of Business - continued**

**Fair tax**

The company has adopted the principles of fair tax espoused by the Fair Tax Mark, with which three of its directors have previously been associated, but has chosen not to be part of that accreditation scheme. No transactions or measures have been undertaken with the intention of influencing, reducing or otherwise altering the proper taxation liabilities owing by the company as a consequence of its activities.

**Future Developments**

The company won a four-year contract for the supply of services to Copenhagen Business School in September 2021. The work will require that the company undertake research work on sustainable cost accounting and related issues as part of the Time Mirror project being run by Copenhagen Business School. Ultimate funding is being provided by The Independent Research Fund Denmark.

Following successful publication of the proposed accounting standard for sustainable cost accounting in 2022 as a part of this work the company is now working on case studies showing how this standard might impact the reported financial affairs of companies in sensitive environmental areas.

The company is also reviewing the possibility of issuing further accounting standards in areas of stakeholder concern as a basis for future activity.

**Directors**

The directors who held office during the year were as follows, with Professor Richard Murphy acting as sole paid employee of the company:

John Christensen  
Adam Leaver  
Richard Murphy  
Meesha Nehru

**Small Company Rules**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

On behalf of the board



Richard Murphy

Director

28 February 2023

**Corporate Accountability Network Limited  
Income and Expenditure Account  
For The Year Ended 30 June 2022**

	Notes	2022 £	2021 £
<b>TURNOVER</b>	<b>2</b>	<b>37,468</b>	<b>61,535</b>
Cost of sales		-	(6,200)
<b>GROSS SURPLUS</b>		<b>37,468</b>	<b>55,335</b>
Administrative expenses		(35,167)	(52,996)
<b>OPERATING SURPLUS AND SURPLUS BEFORE TAXATION</b>		<b>2,301</b>	<b>2,339</b>
Tax on Surplus	<b>5</b>	(437)	(432)
<b>SURPLUS AFTER TAXATION BEING SURPLUS FOR THE FINANCIAL YEAR</b>		<b>1,864</b>	<b>1,907</b>

The notes on pages 6 to 8 form part of these financial statements.

**Corporate Accountability Network Limited**  
**Balance Sheet**  
**As at 30 June 2022**

		<b>2022</b>		<b>2021</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>CURRENT ASSETS</b>					
Stocks	<b>6</b>	2,950		-	
Debtors	<b>7</b>	240		-	
Cash at bank and in hand		3,392		29,940	
		<u>6,582</u>		<u>29,940</u>	
<b>Creditors: Amounts Falling Due Within One Year</b>	<b>8</b>	<u>(2,877)</u>		<u>(28,099)</u>	
<b>NET CURRENT ASSETS (LIABILITIES)</b>			<u>3,705</u>		<u>1,841</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,705</u>		<u>1,841</u>
<b>NET ASSETS</b>			<u>3,705</u>		<u>1,841</u>
Income and Expenditure Account			<u>3,705</u>		<u>1,841</u>
<b>MEMBERS' FUNDS</b>			<u>3,705</u>		<u>1,841</u>

For the year ending 30 June 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

On behalf of the board

Richard Murphy

Director

28 February 2023

The notes on pages 6 to 8 form part of these financial statements.

**Corporate Accountability Network Limited**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2022**

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**1. Accounting Policies**

**1.1. Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

**1.2. Turnover**

Turnover is measured at the fair value of the consideration received or receivable. Turnover includes revenue earned from the rendering of services.

**Rendering of services**

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

**1.3. Stocks and Work In Progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

**1.4. Foreign Currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating surplus.

**1.5. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable surplus for the year. Taxable surplus differs from surplus as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in surplus or deficit, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

**2. Turnover by Geographic Analysis**

Company turnover derived from markets outside the United Kingdom.

	2022	2021
	£	£
United Kingdom	15,868	61,535
Europe	21,600	-
	<u>37,468</u>	<u>61,535</u>

**Corporate Accountability Network Limited**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 30 June 2022**

**3. Staff Costs**

Staff costs include director's remuneration of £30,361 (2021: £47,193).

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	30,361	47,193
Social security costs	3,752	5,041
	<u>34,113</u>	<u>52,234</u>

**4. Average Number of Employees**

Average number of employees, including directors, during the year was as follows: 1 (2021: 1)

**5. Tax on Surplus**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
UK Corporation Tax	437	432
<b>Total Current Tax Charge</b>	<u>437</u>	<u>432</u>
<b>Total tax charge for the period</b>	<u>437</u>	<u>432</u>

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Profit before tax</b>	<u>2,301</u>	<u>2,339</u>
<b>Breakdown of Tax Charge is:</b>		
Tax on profit at 19% (UK standard rate)	437	444
Tax losses utilised	-	(12)
<b>Total tax charge for the period</b>	<u>437</u>	<u>432</u>

**6. Stocks**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Stock - materials and work in progress	2,950	-
	<u>2,950</u>	<u>-</u>

**7. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Other debtors	240	-
	<u>240</u>	<u>-</u>

**Corporate Accountability Network Limited**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 30 June 2022**

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**8. Creditors: Amounts Falling Due Within One Year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Corporation tax	437	432
Other taxes and social security	-	2
Other creditors	-	893
Accruals and deferred income	2,440	26,772
	<u>2,877</u>	<u>28,099</u>

Income received in advance of being earned of £Nil (2021: £14,868) is included in the above sums.

**9. Related Party Transactions**

At 30 June 2022 £1,640 of expense reimbursements were due to Richard Murphy (2021, £1,296) and £800 was due to Tax Research LLP, a partnership of which he was a member in respect of office and other costs incurred (2021, £300).

**10. Company limited by guarantee**

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

**11. General Information**

Corporate Accountability Network Limited is a private company, limited by guarantee, incorporated in England & Wales, registered number 11791864. The registered office is 33 Kingsley Walk, Ely, CB6 3BZ.