

Registered number: OC316294

**TAX RESEARCH LLP
MEMBER'S REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Tax Research UK

TUESDAY



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COMPANIES HOUSE

Tax Research LLP
Member's Report and Unaudited Financial Statements
For The Year Ended 31 March 2021

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Tax Research LLP
LLP Information
For The Year Ended 31 March 2021

LLP Registration Number	OC316294
Registered office and trading address	33 Kingsley Walk Ely CB6 3BZ
Partners	Richard Murphy Jacqueline Murphy
Website	http://www.taxresearch.org.uk/Blog/

**Tax Research LLP
Members' Report
For The Year Ended 31 March 2021**

The members present their report and the financial statements for the year ended 31 March 2021.

Statement of Members' Responsibilities

The members are responsible for preparing the financial statements in accordance with applicable law and regulations. Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 requires the members to prepare financial statements for each financial year. Under that law the members 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 as applied to Limited Liability Partnerships the members 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 LLP and of the profit or loss for that period. In preparing the financial statements the members 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activity

The LLP's principal activity during the year continued to be the undertaking of research on taxation and related economic and accounting issues. The principal activities are the publication of a blog (www.taxresearch.org.uk/blog) and specific research and advocacy projects related to taxation issues, mainly as they impact on poverty.

Review of Business

This was an unexpectedly busy year for Tax Research UK. As a result of the Covid 19 crisis many of Richard Murphy's planned activities for the year were cancelled or delayed and much more was done by Tax Research LLP as a result. This is reflected in the increased scale of activity during the year.

In April 2020 it looked as if there might be remarkably little income in the following year within Tax Research LLP. An application was made as a result for funding from the Joffe Charitable Trust for work on a project called Tax After Coronavirus (TACs). This resulted in a grant of £7,500 and the publication of research into a range of options for alternative methods of taxing wealth, in particular, after the crisis was over. Some are summarised here: <http://taxresearch.org.uk/Wiki/2020/05/11/tax-after-coronavirus-tacs/>.

The Joffe Charitable Trust declined to provide further funding, suggesting that they thought donations could be sought from readers of the Tax Research UK blog. <http://www.taxresearch.org.uk/Blog/>. This blog had its best ever year in 2020, being read more than 3 million times. An appeal was launched as a result. In total £12,737 was donated as a result. Thanks are offered to all who provided support. It has been very much appreciated.

As a direct result of those donations two initiatives were launched. One was a YouTube channel, which was the idea of the late Mark Cooney, who unfortunately died during 2021, but not before the channel had more than 4,000 subscribers and with well over 100 videos made, mainly with Mark. They can be viewed here. <https://www.youtube.com/c/RichardJMurphy/featured>

The second initiative was as a direct result of a new approach to Twitter posting launched during the year. Long threads explaining core economic ideas, some with more than fifty tweets within them, were published regularly from the autumn of 2020 onwards. Largely as a result more than 30,000 new followers of the Twitter account used to promote Tax Research LLP have been gained. <https://twitter.com/RichardJMurphy>. The major threads were then published as eBook in April 2021, just after the year end date. <https://www.taxresearch.org.uk/Blog/2021/04/14/mfnamtff/>. This was provided as a free download as a result of donations received.

**Tax Research LLP
Member's Report (continued)
For The Year Ended 31 March 2021**

Other grants were won as the year progressed. In particular, a grant of £8,112 (US\$10,000) was secured from Global Initiative for Fiscal Transparency <https://www.fiscaltransparency.net/>. This was to work on a project that has now been published entitled Making Tax Work. <https://www.fiscaltransparency.net/making-tax-work-pathways-to-enhancing-tax-transparency-and-performance/> This work is now attracting interest from the International Monetary Fund and World Bank. A £1,500 grant from City, University of London was also received in connection with this work.

In addition, payments of £2,775 were received for advice provided to the Fair Tax Mark and £2,250 from Tax Justice UK for a report on freeports. The only other income from a single source for more than £1,000 in the year were a number of payments totalling that sum for appearances on the Alex Salmond Show, offering economic commentary on matters related largely to Scottish issues. A variety of other sources of income, totalling £2,465 made up the income for the year, the largest of which was an academic prize for a journal paper published in 2019.

Fair Tax Policy

A Limited Liability Partnership is not taxable in its own right. The members of the LLP have undertaken no tax arrangements that make use of tax havens or that might in any way require disclosure to HM Revenue & Customs as a tax avoidance arrangement or that might fall foul of the UK's General Anti-Abuse Rule.

Future Developments

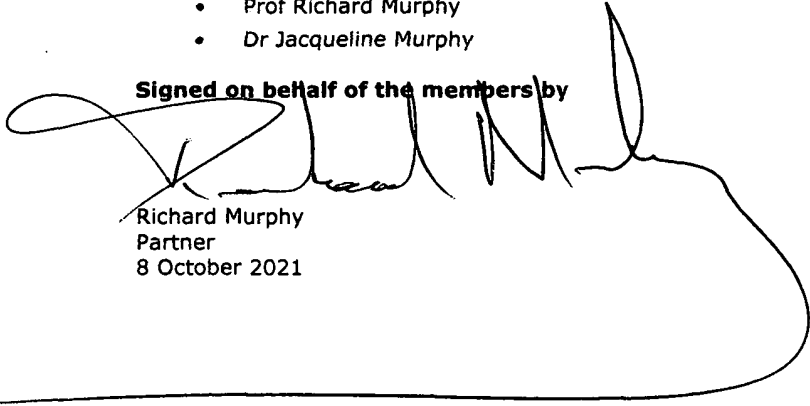
The fee income of Tax Research LLP is currently expected to fall during the year to March 2022 due to reduced grant income. Donations are expected to be the largest part of its income at present.

Members

The designated members who held office during the year were as follows:

- Prof Richard Murphy
- Dr Jacqueline Murphy

Signed on behalf of the members by



Richard Murphy
Partner
8 October 2021

Tax Research LLP
Profit and Loss Account
For The Year Ended 31 March 2021

	Notes	2021 £	2020 £
TURNOVER	1	38,338	19,602
Cost of sales		<u>(1,410)</u>	<u>(2,500)</u>
GROSS PROFIT		36,928	17,102
Administrative expenses	2, 3	<u>(7,043)</u>	<u>(5,535)</u>
OPERATING PROFIT AND PROFIT FOR THE FINANCIAL YEAR available for discretionary division among members	7	<u>29,885</u>	<u>11,567</u>

The notes on pages 7 to 8 form part of these financial statements.

**Tax Research LLP
Balance Sheet
As at 31 March 2021**

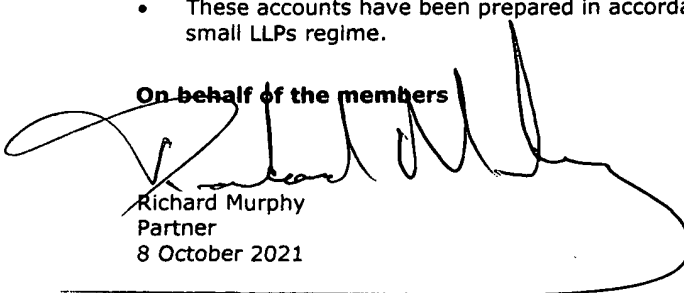
	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	4	3,061	424
CURRENT ASSETS			
Debtors	5	1,369	2,145
Cash at bank and in hand		<u>13,360</u>	<u>7,552</u>
		14,729	9,697
CREDITORS: Amounts falling due within one year	6	<u>(700)</u>	<u>0</u>
NET CURRENT ASSETS		<u>14,029</u>	<u>9,697</u>
TOTAL ASSETS LESS CURRENT LIABILITIES REPRESENTING NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>17,090</u>	<u>10,121</u>
REPRESENTED BY:			
TOTAL MEMBERS' INTERESTS	7	<u>17,090</u>	<u>10,121</u>

For the year ending 31 March 2021 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) Regulations 2008 applicable to LLP's subject to the small LLPs regime.)

Member's responsibilities:

- The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to LLPs) with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

On behalf of the members


Richard Murphy
Partner
8 October 2021

The notes on pages 7 to 8 form part of these financial statements.

Tax Research LLP
Notes to the Financial Statements
For The Year Ended 31 March 2021

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 applicable United Kingdom accounting standards, including Financial Reporting Standard 102 for small limited liability partnerships regime - The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), The Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' Issued in December 2018 (SORP) and the Companies Act 2006 (as applied to LLPs).

The financial statements are prepared in sterling which is the functional currency of the LLP.

1.2. Statement of cash flow

The LLP has taken advantage of the exemption in Financial Reporting Standard 1 from the requirement to produce a cash flow statement on the grounds that it is a small LLP.

1.3. Going concern

The members have not identified any material uncertainties related to events or conditions that may cast significant doubt about the LLP's ability to continue as a going concern.

1.4. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

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.

1.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	33% straight line
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1.6. 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 settled in foreign currencies during the period are recorded to reflect the sums paid or received in sterling.

2. Operating Profit

The operating profit is stated after charging:

	2021	2020
	£	£
Research costs	269	166
Depreciation of tangible assets	1,817	314

3. Average Number of Employees

Average number of employees, including members, during the year was one (2020: one)

Tax Research LLP
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

4. Tangible Assets

	Plant & Machinery £
Cost	
As at 1 April 2020	4,494
Additions	4,454
Disposals	<u>(3,498)</u>
As at 31 March 2021	<u>5,450</u>
Depreciation	
As at 1 April 2020	4,070
Provided during the period	1,817
Disposals	<u>(3,498)</u>
As at 31 March 2021	<u>2,389</u>
Net Book Value	
As at 31 March 2021	<u>3,061</u>
As at 1 April 2020	<u>424</u>

5. Debtors due within one year

	2021 £	2020 £
Trade debtors	520	1,650
Prepayments and accrued income	349	495
Other debtors	<u>500</u>	<u>-</u>
	<u>1,369</u>	<u>2,145</u>

6. Creditors: Amounts Falling Due Within One Year

	2021 £	2020 £
Accruals and deferred income	<u>700</u>	<u>-</u>

7. Total members' Interests

	2021 £	2020 £
Balance brought forward	10,121	23,290
Profit for the financial year available for discretionary division among members	<u>29,885</u>	<u>11,567</u>
	40,006	34,857
Drawings	<u>(22,916)</u>	<u>(24,736)</u>
Balance at the close of the year	<u>17,090</u>	<u>10,121</u>

8. General Information

Tax Research LLP is a limited liability partnership, incorporated in England & Wales, registered number OC316294. The Registered Office is 33 Kingsley Walk, Ely, CB6 3BZ. The partners are Prof Richard Murphy and Dr Jacqueline Murphy who are by mutual agreement allocated 99% and 1% of profits (2020: 99% and 1%).