

Registered number
05327824

Tax Justice Network Limited

Report and Accounts

31 December 2013

Chapman, Robinson & Moore Limited
Accountants & Registered Auditors
30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE

The Directors present their report and accounts for the period ending **31st December 2013**.

A Milestone Year

The Tax Justice Network was formally launched at the British Houses of Parliament in March 2003; we celebrated our tenth anniversary in 2013. The past ten years has seen remarkable progress, with tax justice now established as a mainstream public issue in many countries around the world. We remain active in forming **new research communities** to engage on this subject, including economics geographers, political scientists, political economists, human rights specialists, and philosophers. Alongside these research communities, we are also building a **global network of investigative journalists** supported by an online hub to assist with sharing data and developing news stories. The global tax justice movement has steadily grown, and in 2013 we launched the **Global Alliance for Tax Justice** to coordinate campaigns at the international level.

During 2013 **both G8 and G20** picked up on all or parts of our key demands for financial market transparency: multilateral and automatic exchange of information, country-by-country reporting; and disclosure of beneficial ownership information. We also saw the launch of the **OECD's Base Erosion Profits Shifting** programme, which was at least in part a response to TJN's calls for moves to tackle corporate tax avoidance.

TJN has responded to these changes. We have restructured to separate our research advocacy activities from campaign coordinating and national advocacy activities. We have created a new company with charitable purpose (**Tax Justice Research Limited**) to raise funds from charitable donors. We have launched a new programme in conjunction with the **Centre of Investigate Journalism** at London's City University to provide specialist training to investigative journalists around the world. In line with **our commitment to operating as a 'virtual' office**, during 2013 we invested in a comprehensive transition to Office365 with a **new website, new blog, new APP, new social media hub, and a cloud-based file sharing**. We have recruited **new Senior Advisers** to support our broadening thematic focus.

When we first mooted our **Mobilising for Tax Justice** programme in January 2009 it was anticipated that we might achieve our primary goal of putting tax justice issues on the global agenda by mid-2015. This task was achieved ahead of schedule. We now aim to broaden and deepen the tax justice agenda, investigating **more case studies of abusive tax practices** (particularly in poorer countries), confronting the **global tax wars** that wreck national tax systems, and addressing how corporate tax abuse and tax havenry deprive countries and their citizens of the resources they need to meet their **human rights commitments**.

We expect to be as busy in the coming decade as we were in the last.

Principal Activities During the Year

The Company's principal activity during the calendar year ending **31st December 2013** was the supply of research, advocacy and professional advisory services to the global tax justice movement. Our work during this period involved several research programmes, most notably preparation of the **2013 Financial Secrecy Index**, monitoring the **OECD BEPS programme**, continuing research on **The Price of Offshore** (see 2012 Director's report), and a continued commitment to producing and disseminating materials relating to the **Mobilising for Tax Justice** programme, including expert briefings, Taxcasts, YouTube videos, books and articles. We commissioned and published a **legal opinion on the fiduciary duties** of company directors as they relate to tax avoidance. And finally, our new book, ***The Finance Curse: how oversized financial centres attack democracy and corrupt economies***, was published in May 2013, and has achieved critical acclaim.

The Tax Justice Network has also engaged with its partners across the world in supporting the launch of the **Global Alliance for Tax Justice**, a new campaigning movement committed to organising and coordinating regional and global public and advocacy campaigns on core tax justice issues.

The creation of the GATJ was ratified by the **Tax Justice Council** at its meeting in Lima, Peru, in March 2013. TJN and GATJ have formalised their cooperative relationship through a **joint Memorandum of Understanding**.

The services we provided during 2013 included (in no particular order):

- Organising a **City University/AABA/TJN research workshop** to consider the proposals put forward by the **OECD** under its **BEPS programme**;
<http://www.city.ac.uk/_data/assets/pdf_file/0006/183165/BEPS-and-the-Future-of-Corporate-Taxation-Programme-4-5-JULY-2013.pdf>
- Producing monthly **Taxcasts** (this is part of the **Mobilising for Tax Justice programme**);
<www.taxjustice.net/taxcast/>
- Publishing scholarly articles in our free newsletter **Tax Justice Focus**; <www.taxjustice.net/tax-justice-focus/>
- Co-organising and participating in the work of the **Coordinating Committee** of the international **Financial Transparency Coalition**; <www.financialtransparency.org/about/coordinating-committee/>
- Researching and publishing the **2013 Financial Secrecy Index**; <www.financialsecrecyindex.com/>
- Participating in a new programme to research forms of **wealth taxation**;
- Support for the **Economic Mythbusters** programme, run in conjunction with nef
<www.neweconomics.org/projects/entry/mythbusters>
- Supporting and participating in the launch of **Tax Justice Network Israel**; <www.csri.org.il/?p=658>
- Researching and publishing **The Finance Curse** (co-authored by **John Christensen** and **Nick Shaxson**);
<www.opendemocracy.net/ourkingdom/nicholas-shaxson-john-christensen/finance-curse-introduction>
- Co-organising a training programme for investigative journalists. Two courses were held in conjunction with the **Centre for Investigative Journalism** in 2013. Two courses will be held annually in 2014 and 2015;
<www.tcij.org/courses/course-calendar/introduction-illicit-finance-financial-secrecy-and-asset-recovery>
- Creating a new **online journalism hub** to support our investigative journalism programme. The hub is coordinated by **Nick Mathiason** and **George Turner**;
- Providing administrative, fund-raising, secretariat and advisory support to partner organisations including the **GATJ**;
- Publishing daily blogs and articles on tax justice related issues; <www.taxjustice.net/>
- Advising the international press on tax justice related issues.

The Company achieved its principal objectives in 2013.

Funding

In 2013 our grant income amounted to £734,559 and expenditure amounted to £752,671, of which overheads accounted for a mere 3% per cent.

In 2013 grants were received from:

- Financial Transparency Coalition
- Joffe Charitable Trust
- Joseph Rowntree Charitable Trust
- Government of Finland
- The Network for Social Change
- Norad
- Oxfam-Novib
- Plan International

Research Programmes

Our programme to monitor the **OECD's Global Forum** process and progress on **information exchange** processes more generally has supported high level advocacy programmes in many countries and at OECD, European Commission and Council of Europe levels. In 2013 the OECD launched its **Base Erosion Profits Shifting (BEPS)** programme, which we are monitoring through a working group led by TJN Senior Adviser **Sol Picciotto**.

TJN continues to organise, co-host, fund and participate in research seminars, conferences, capacity-building workshops, and related events. Responding to the OECD BEPS initiative, we organised a two-day research event, hosted by City University, London, which focussed on **international cooperation on taxing transnational companies**. In conjunction with **TJN Africa** and **Kepa**, and with funding support from the Government of Finland, we also organised a major international conference on corporate tax avoidance in Dar Es Salaam, Tanzania.

The 2013 **Financial Secrecy Index** was published in November 2013 and achieved global media coverage. The 2013 index included more countries (82, compared with 73 in 2011) and provided detailed country reports for the leading secrecy jurisdictions. Research for the **2015 FSI** will commence in the second half of 2014. International media coverage of the FSI has continued to expand, though coverage in the UK and USA was thin in 2013.

We have continued to advise on case studies revealing the systemic problems arising from the OECD's approach to **transfer pricing**, and – through Sol Picciotto and **Richard Murphy** of **Tax Research** – we are engaged in a research programme into **combined and country-by-country reporting**.

Global media coverage

In 2013 we reached the mid-point of our five year programme to mobilise for tax justice. This programme aims to raise the profile of tax justice and support a worldwide public discussion on the roles taxes play in shaping social and economic development. Global media – broadly defined to include newspapers, magazines, broadcast radio and television, websites, blogs, downloadable videos and podcasts, etc., collectively play a crucial part in disseminating research outputs, commentaries, op-eds, and interviews.

Our priorities in 2013 included

- (i) designing and commissioning **a comprehensive overhaul of TJN's website, blog, and social media toolkit** with supporting **APP**;
- (ii) preparing the media launch in November of the 2013 **Financial Secrecy Index**;
- (iii) launching **The Finance Curse** book in May 2013;

(iv) supporting the **nef/TJN Economic Mythbuster** series: published here;
www.theguardian.com/commentisfree/series/mythbusters >

(v) publishing and disseminating a variety of **short video clips** on corporate taxation;
www.youtube.com/user/TackleTaxHavens >

(vi) supporting the production and screening of Xavier Harel's *Evasion Fiscale: Le hold-up du siècle* and Matthieu Verboud's *La City dans eaux troubles*

(vii) launching a legal opinion on director's fiduciary duties relating to tax avoidance:
[www.taxjustice.net/cms/upload/pdf/Farrer and Co Opinion on Fiduciary Duties and Tax Avoidance.pdf](http://www.taxjustice.net/cms/upload/pdf/Farrer_and_Co_Opinion_on_Fiduciary_Duties_and_Tax_Avoidance.pdf)
>

(viii) circulating daily summaries of international news stories to around 2,700 tax officials, professionals, researchers and activists on six continents;

(ix) producing and disseminating TJN's monthly **Taxcasts**;

(x) publishing **Tax Justice Focus**.

Since we started blogging in 2007 we have published approximately **4,000 blogs** (roughly two blogs per working day) which achieved over **2.2 million discrete visits** by December 2013. In December 2013, the average daily page views on the TJN blog ranged between approximately 1,700 and 2,200. Our new website, with integrated blogging and social media, was launched in January 2014, when we also launched our new weekly *Offshore Wrapper* - a weekly round-up of tax justice news with a sardonic overview of tax haven shenanigans. In April 2014 we launched the TJN APP which will support our online work.

Chart 1 maps TJN's monthly global online media coverage in 2013. This data is drawn from our Meltwater news coverage service and only includes online coverage picked up by that service. Coverage by online media placed behind paywalls is in most cases not included. The chart shows the significant spike in April (largely relating to media interest in the **OECD's BEPS programme**, the tax avoidance enquiries of the UK Parliament's **Public Accounts Committee**, and a spate of German media interest in tax evasion scandals in that country), and a second spike in November around the launch of our report on the **2013 Financial Secrecy Index**.

Chart 1: global media coverage citing TJN's work, 2013

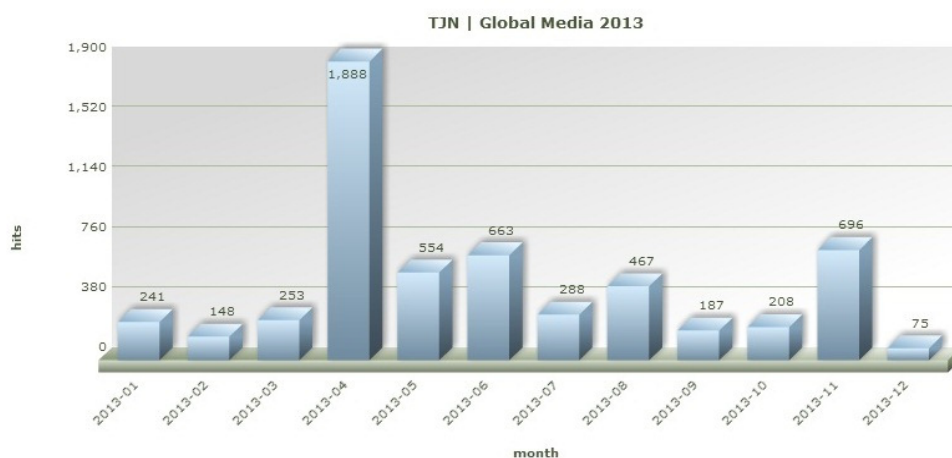
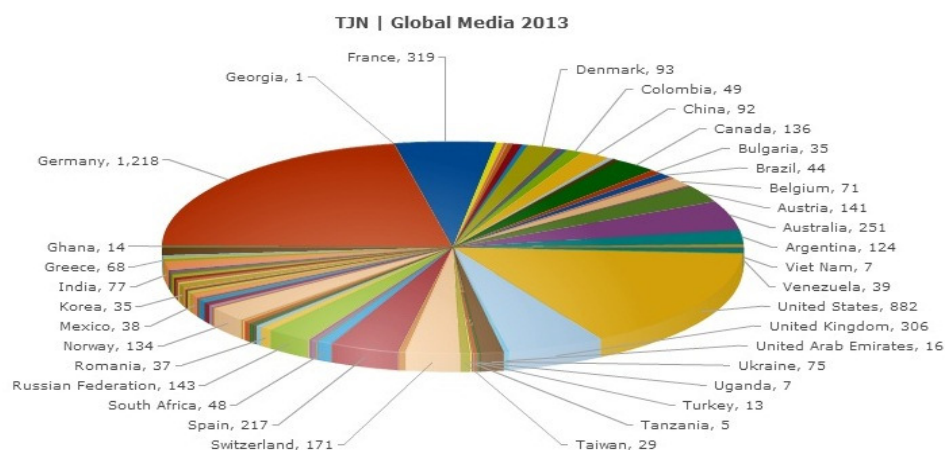


Chart 2 provides a geographical breakdown of printed media coverage by country. Despite a widely shared perception that TJN is particularly focussed in Anglophone countries, German media coverage (1,218 mentions of TJN in 2013) was around 50 percent greater than coverage in the USA (882 mentions) and four times greater than coverage in the UK (306). French media coverage (319) was also slightly ahead of the UK. Media coverage has also increased significantly in Spanish speaking countries (including Latin America), in Russia and Ukraine, and in Asia (China, India and Korea). Media coverage is also increasing in many African countries, though references to our partner organisation Tax Justice Network Africa have been filtered out of the data used for Chart 2.

Chart 2: Global media coverage citing TJN by country, 2013



TJN staff continue to work with radio journalists and documentary makers around the world, and in 2013 participated in dozens of radio programmes in addition to our continually successful monthly **Taxcast** series produced for TJN by Naomi Fowler.

Analysis of Taxcast downloads since the series' launch shows 74,000 downloads from 160 countries. Table 1 below gives a breakdown of the ten countries with the largest Taxcast audiences in 2013, but its worth noting the interest shown by listeners in secrecy jurisdictions such as Bahamas, Belgium, Bermuda, Cayman, Cyprus, Gibraltar, Guernsey, Ireland, Isle of Man, Jersey, Luxembourg, Monaco, Netherlands, Panama, Switzerland, U.K. and U.S.A.

Table 1: Taxcast downloads by top ten countries, 2013

Country	Downloads	% of all downloads
U.K.	29,987	40
U.S.A.	11,271	15
Canada	3,494	5
Norway	1,994	3
Australia	1,943	3
Germany	1,639	2
Netherlands	1,579	2
Denmark	1,502	2
Switzerland	1,472	2
Isle of Man	1,423	2

"Honestly, I've listened to podcasts for 10 years but this is just brilliant!"

Kinsella Tax, Specialist Tax Investigations

'I must say the production standards and the quality of discussions are quite outstanding'

Muhammad Idrees Ahmad, Al Jazeera

Early episodes of the Taxcast have achieved around 4,000 downloads, which is significantly higher than the global average audience for podcasts.¹

Analysis of twitter feeds relating to the Taxcast shows large interest among journalists, financial specialists and tax practitioners, researchers and campaigners. We are encouraged by this strong signal of support from within the opinion-forming community.

We were also encouraged by *The Economist* special feature on tax havens, published 16th February 2013, which cited many of our key arguments:
<www.economist.com/news/leaders/21571873-how-stop-companies-and-people-dodging-tax-delaware-well-grand-cayman-missing-20>

Two editions of *Tax Justice Focus* were published in 2013 on the following themes:

- *Mythbusters*, with feature articles contributed by Daniel Stedman Jones, Aeron Davis, William Davies, and Robin Ramsay (vol 8, no.1)

- *The Finance Curse*, with feature articles contributed by Doreen Massey, Adam Leaver Nicholas Shaxson, and Tamasin Cave (vol 8, no.2)

Risk assessment

The Company aims to minimise its fixed costs as a means of reducing financial risk. While cash flow was positive throughout 2013 - and we expect this to continue in 2014 – our cash reserves remain inadequate to sustain all our programmes through lean funding periods. One outcome of lacking a cash reserve is that delays in receiving grants from key donors have impinged on our ability to commission and undertake activities within the planned timetable.

Following negotiations with our partners in the Global Alliance for Tax Justice it has been agreed that we will retain responsibility for managing and controlling the Tax Justice Network brand. We recognise the importance of protecting the integrity of the brand name, and we devote significant resource to ensuring the high quality of our research and other outputs and to mitigating libel risks.

We recognise that TJN is vulnerable to being monitored by a wide variety of agencies. This extends to skype, email, mobile telephony and all forms of internal and external communication. We work on the basis that this is inevitable and therefore the best defence lies with openness. We feel that we operate in an open and transparent manner and have nothing to hide.

As regards the security and integrity of our internet systems, we hold essential documents inside the secure Office365 environment and follow established security protocols, enabling us to re-establish materials in the event of an attack.

Key points on governance and accountability

The Company bases its procedures on the following key issues:

1. Meetings and decision-making processes

- Agendas for Meetings are prepared and circulated in advance;
- Meetings are run on a consensual decision-making basis;

1. "There are 60 million people who consume podcasts per month, however the **median number** of downloads for podcasters is around 140 to 200 per episode" The Naked Truth About Your Podcasting Stats <http://basicblogtips.com/podcasting-stats-libsyn.html>

- All agenda items are dealt with and action points are noted and followed up on;
- Minutes are prepared and circulated for comment within four working days after the Meeting;
- Once agreed, Minutes are kept in a separate Minute book and are available for inspection. They are also made available in an online archive.

2. Funding and financial record keeping

- Funding is accepted only on the basis of no conditionality as to use;
- Complete transparency is required on donations from organisations;
- Donations will not be accepted from organisations holding views that are deemed incompatible with our general ethos;
- Donations from individuals are acknowledged on an anonymous basis;
- Financial systems are open and transparent.

3. Accountability to stakeholders

- Until 31st March 2013 **Tax Justice Network International Secretariat Limited** employees reported to the monthly meetings of the Board of Directors of **Tax Justice Network Association International Sans But Lucratif**.
- From 1st April 2013 employees of the re-named **Tax Justice Network Limited** became accountable to the newly created Board of **Tax Justice Research Limited**.

4. Travel policy

- The Company operates on a virtual basis. Tele-working is encouraged, with phone, email, blogs, website, twitter and Skype providing the principal means for communication across the network.
- Physical journeys are kept to a minimum, and the use of bicycles and public transport is encouraged. Car use is discouraged apart from in situations where no alternatives are available.
- When participating in international events, we generally seek funding from either the meeting organisers or from other donors. When travelling by train or airplane, we always buy the cheapest available tickets and pay for carbon offsets where available.
- Staff are provided with travel insurance when required by **Avanti Travel Insurance**. Consultants are required to make their own arrangements for travel insurance, or by TJN at the discretion of the Directors.

5. Telecoms and ICT policy

- The Company sources its telecoms services from **The Phone Coop**, a customer owned and democratically controlled telecoms and internet services provider.
- The Company actively encourages its contacts to use voice over internet services for most network communications. We aim to hold the majority of our meetings online, but regular physical meetings are considered important for encouraging creativity and team-building.
- The Tax Justice Network operates on a virtual basis, with Skype and Office365 providing internal communications and file-sharing platforms, and using blogs, websites, twitter, YouTube and other feeds to communicate externally. Our new website, blog and TJN APP were launched in quarter one 2014. We are grateful to the team at **Akeman Solutions Limited** for their excellent advice and support.

6. Financial services, payroll management and insurance

- The Company uses banking services provided by the **Cooperative Bank plc**, 1 Balloon Street, Manchester. Through part of this accounting period we also operated a Euro denominated account with **Triodos Bank**, Brussels, control over which was passed to the **Global Alliance for Tax Justice** in April 2013. In the fourth quarter of 2013 we switched a proportion of the cash held on our Cooperative Bank to a new deposit account held at **Triodos Bank** in Bristol.
- The Company is provided with financial and accounting services by **Glyn Pritchard**.
- Accounting and audit services are provided by **Chapman, Robinson and Moore Limited**, Kidlington, Oxfordshire, U.K.
- Payroll services are provided by **Fenside Accounting**, Boston, Lincolnshire, U.K.
- Insurance services are provided by **Fairweather Insurance Services**, Chalfont Saint Peter, Buckinghamshire, U.K.

7. Waste management policy

- The Company aims to minimise waste output and recycle as much waste as possible.
- Emails are not printed unless there is an absolute requirement for a paper record, and electronic filing records take priority over paper filing.

8. Equal opportunities

- The Company pursues an equal opportunities policy.

9. Pensions policy

- The Company contributes to employee pension funds.

10. Engagement with stakeholders

- The company aims to respond to written enquiries within 24 hours
- We give priority to promoting policy alternatives to identified systemic failures.
- We give high priority to supporting journalists, writers, broadcasters, etc, in their reporting and analysis of tax justice related issues
- We actively supports researchers engaging on tax justice related research.

11. Whistleblower policy

We are committed to the highest possible standards of transparency, probity and accountability. In line with that commitment we expect employees, and others we work with, who have serious concerns about any aspect of the Tax Justice Network's activities to come forward and voice those concerns.

Our whistleblowing policy applies to all employees, (including those designated as consultants, temporary, agency, authorised volunteers or interns). The policy aims to provide avenues for an employee to raise concerns in confidence and receive feedback on any action taken, and covers a range of issues, including:

- Conduct which is an offence or a breach of law;
- Disclosures related to miscarriages of justice;
- Health and safety risks, including risks to the public as well as other employees;
- Damage to the environment;
- Unauthorised use of Tax Justice Network's funds;
- Possible fraud and corruption;
- Sexual or physical abuse of colleagues or those for whom we are providing a service;
- Other unethical conduct

Other issues may also be dealt with under this policy.

12. Employees and consultants

At 31st December 2013 Tax Justice Network Limited employed or engaged the following staff and project consultants on a full or part-time basis:

- **John Christensen**, director, based in Chesham, U.K.;
- **Naomi Fowler**, radio producer, based in Sicily;
- **Moran Harari**, researcher, based in Tel Aviv;
- **Dan Hind**, editor, *Tax Justice Focus*, based in London;
- **Andres Knobel**, researcher, based in Buenos Aires;
- **Sarah Knott**, media support and secretarial services for GATJ, based in Kent, U.K.;
- **Nick Mathiason**, coordinator of the journalism programmes, based in London;
- **Markus Meinzer**, senior researcher, based in Marburg, Germany;
- **Liz Nelson**, partnership development/resources coordination, based in Oxford;
- **Glyn Pritchard**, financial and accounting services, based in Oxford;
- **Nick Shaxson**, writer and researcher, based in Berlin;
- **George Turner**, coordinator, journalist hub programme, based in London.

13. Directors

The Directors who served during this period were:

- **John Elliott Christensen** (since 2005).
- **Cathy Cross** (since 2009)
- **Bruno Gurtner** (since 2007, retired March 2013)
- **Richard Murphy** (since 2012, resigned due to ill health 3rd June 2013)
- **Liz Nelson** (served as Company Secretary until 30th June 2013, and was appointed as Director on 1st July 2013)
- **Glyn Pritchard** (served as Company Secretary, appointed 1st July 2013)

Each Director was a guarantor of the Company from the date of their appointment and remained so at the year-end date.

Name Change in 2013

With effect from March 2013, the majority of the secretariat services previously provided to the Global Board of Directors by Tax Justice Network International Secretariat Limited were re-assigned to the Coordinating Committee of the **Global Alliance for Tax Justice**. Secretariat services for the tax justice movement's regional activities are generally provided by regional secretariats. For this reason, we resolved in 2013 to change the Company name to **Tax Justice Network Limited**. Tax Justice Network Limited continues to provide secretarial support to GATJ through Sarah Knott.

Taxation

HM Revenue and Customs confirmed in April 2014 that Tax Justice Network Limited is to be treated as a charity for tax purposes.

Small company special provisions

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 27 May 2014 and signed on its behalf.

J Christensen
Director

Tax Justice Network Limited
Independent auditors' report
to the member of Tax Justice Network Limited

We have audited the accounts of Tax Justice Network Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard For Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

In accordance with the exemption provided by APB Ethical Standard - Provisions Available for Smaller Entities (Revised), we have prepared and submitted the company's returns to the tax authorities and assisted with the preparation of the accounts.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirements to prepare a strategic report.

Alan Sowden
(Senior Statutory Auditor)
for and on behalf of
Chapman, Robinson & Moore Limited
Accountants and Statutory Auditors
27 May 2014

30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE

Tax Justice Network Limited
Income and Expenditure Account
for the year ended 31 December 2013

	Notes	2013 £	2012 £
Income		756,888	632,355
Direct costs		(409,630)	(377,464)
Gross surplus		<u>347,258</u>	<u>254,891</u>
Research, dissemination and administrative expenses		(343,042)	(250,725)
Operating surplus	2	<u>4,216</u>	<u>4,166</u>
Interest receivable		509	560
Surplus on ordinary activities before taxation		<u>4,725</u>	<u>4,726</u>
Tax on surplus on ordinary activities	3	(632)	(1,101)
Surplus for the financial year		<u>4,093</u>	<u>3,625</u>

Tax Justice Network Limited
Balance Sheet
as at 31 December 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	4	1,837	272
Current assets			
Debtors	5	391	18,242
Cash at bank and in hand		253,059	250,933
		<u>253,450</u>	<u>269,175</u>
Creditors: amounts falling due within one year	6	(225,748)	(244,001)
Net current assets		<u>27,702</u>	<u>25,174</u>
Net assets		<u>29,539</u>	<u>25,446</u>
Capital and reserves			
Retained Funds	8	29,539	25,446
Shareholder's funds		<u>29,539</u>	<u>25,446</u>

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

J Christensen
Director
Approved by the board on 27 May 2014

Tax Justice Network Limited
Notes to the Accounts
for the year ended 31 December 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).

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Depreciation

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

Computer & office equipment	33% straight line
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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.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Operating surplus	2013	2012
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,195	778
Directors' remuneration	71,424	38,675
Pension costs	<u>11,785</u>	<u>12,531</u>
Number of directors to whom benefits accrued under money purchase pension schemes	<u>2</u>	<u>1</u>

Tax Justice Network Limited
Notes to the Accounts
for the year ended 31 December 2013

3 Taxation	2013	2012
	£	£
UK corporation tax	<u>632</u>	<u>1,101</u>
4 Tangible fixed assets		
		Computer & office equipment
		£
Cost		
At 1 January 2013		5,026
Additions		<u>2,760</u>
At 31 December 2013		<u>7,786</u>
Depreciation		
At 1 January 2013		4,754
Charge for the year		<u>1,195</u>
At 31 December 2013		<u>5,949</u>
Net book value		
At 31 December 2013		<u>1,837</u>
At 31 December 2012		<u>272</u>
5 Debtors	2013	2012
	£	£
Trade debtors	-	17,891
Other debtors	<u>391</u>	<u>351</u>
	<u>391</u>	<u>18,242</u>
6 Creditors: amounts falling due within one year	2013	2012
	£	£
Corporation tax	632	1,101
Deferred Income	164,933	183,045
Norad Partnership final payment	14,836	32,000
Creditors	<u>45,347</u>	<u>27,855</u>
	<u>225,748</u>	<u>244,001</u>

Tax Justice Network Limited
Notes to the Accounts
for the year ended 31 December 2013

7 Deferred Grants	2013	2012
	£	£
Deferred Income as at 1st January 2013	183,045	205,815
Joseph Rowntree Charitable Trust	20,000	37,500
Centre for International Policy - Financial Transparency Coalition	93,708	73,963
Christian Aid	-	(105)
AABA	500	5,000
Oxfam Novib	50,108	79,554
Norad	430,718	326,111
Network for Social Change	21,354	11,152
Finnish Government	108,024	62,244
Action Aid	-	10,000
Joffe	5,000	
Plan International	5,000	
Other	147	
Total income received during year	734,559	605,419
Expenditure during year	752,671	628,189
Deferred Income as at 31st December 2013	164,933	183,045
<u>Deferred income made up as follows</u>		
Joseph Rowntree Charitable Trust	50,395	30,520
Centre for International Policy - Financial Transparency Coalition	65,772	35,277
Christian Aid	-	5,805
AABA	500	5,000
Oxfam Novib	-	80,539
Network for Social Change	3,416	2,902
Finnish Government	40,974	4,497
Action Aid	-	10,000
Norad	69	4,768
Small Grants	3,807	3,737
Total deferred income	164,933	183,085
8 Income & Expenditure account	2013	
	£	
At 1 January 2013	25,446	
Surplus for the year	4,093	
At 31 December 2013	<u>29,539</u>	

Tax Justice Network Limited
Notes to the Accounts
for the year ended 31 December 2013

9 Contingent liabilities

The company does not have a share capital and is limited by guarantee. In the event of the Company being wound up the maximum amount each member is liable to contribute is £1. There were 3 guarantor members at the balance sheet date.

10 Ultimate controlling party

The company is controlled by Tax Justice Research Limited.

Tax Justice Network Limited
Detailed income and expenditure account
for the year ended 31 December 2013

	2013 £	2012 £
Income	756,888	632,355
Direct costs	(409,630)	(377,464)
Gross surplus	<u>347,258</u>	<u>254,891</u>
Research, dissemination and administrative expenses	(343,042)	(250,725)
Operating surplus	<u>4,216</u>	<u>4,166</u>
Interest receivable	509	560
Surplus before tax	<u>4,725</u>	<u>4,726</u>

Tax Justice Network Limited
Detailed income and expenditure account
for the year ended 31 December 2013

	2013	2012
	£	£
Income		
Grants received	752,670	628,189
Other income	4,218	4,166
	<u>756,888</u>	<u>632,355</u>
Direct costs		
Research costs	<u>409,630</u>	<u>377,464</u>
Research, dissemination and administrative expenses		
Employee costs:		
Wages and salaries	108,173	113,597
Directors' salaries	71,424	38,675
Pensions	11,785	12,531
Employer's NI	12,342	11,554
Travel and subsistence	23,340	17,436
	<u>227,064</u>	<u>193,793</u>
Premises costs:		
Light and heat	1,142	1,566
	<u>1,142</u>	<u>1,566</u>
General administrative expenses:		
Telephone and fax	2,507	3,127
Stationery and printing	2,954	992
Books, journals and research	960	448
Bank charges	241	338
Insurance	491	480
IT expenses	4,809	7,176
Depreciation	1,195	778
Sundry expenses	1,028	748
	<u>14,185</u>	<u>14,087</u>
Legal and professional costs:		
Audit fees	3,333	3,150
Accountancy fees	11,530	9,605
Solicitors fees	5,285	-
ICT transition and dissemination costs	80,503	28,524
	<u>100,651</u>	<u>41,279</u>
	<u>343,042</u>	<u>250,725</u>