Fair Tax Mark Statement of Ethical Consumer Research Association Ltd (February 2020)

This statement of Fair Tax compliance was compiled in partnership with the Fair Tax Mark and certifies that Ethical Consumer Research Association Ltd meets the requirements of the Fair Tax Mark's Solely UK-based business Standards.

Tax policy statement

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 reasonably anticipated that the UK is 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. We will review this policy with our accountants annually to ensure that it is complied with.

Financial disclosures

Ethical Consumer Research Association Limited
Tax charge reconciliation for 2018 and 2019

Reconciliation	**2019**	**2018**
Profit for period	**(24,616)**	**33,199**
Tax on profit at standard rate of 19% - 2019 (19% - 2018)	(4,677)	6,307
Effects of:		
Deprecation in excess/(shortfall) of capital allowances	(10,886)	(6,169)
Income not subject to tax	(426)	0
Share interest paid	(2,928)	(2,636)
Tax losses arising/(utilised) in the period	18,917	2,498
Current tax charge/(credit)	0	0
Deferred tax charge/(credit)	0	0
Total tax charge/(credit) per statement of profit and loss	**0**	**0**

The primary reason for the difference between the expected current tax charge (£4,677) and the actual current tax charge (£0) is due to trading losses arising in the period, these losses will be carried forward and be utilised on future trading profits. Other factors that affect the current tax charge are:

Deprecation in excess/(shortfall) of capital allowances - The accounting treatment of capital assets differs from the tax treatment. For accounting purposes, an annual rate of depreciation is applied to capital assets and charged to the profit and loss account. For tax purposes, the depreciation charge is added back and instead a tax capital allowance is claimed a relief provided by law. Over time, however, these differences will equal one another.

Share interest paid – Interest on society shares is required by the Financial Reporting Standards 102 to be included in the statement of equity rather than the profit and loss account. However, this interest is not a distribution of profit but a cost of capital and an expense of the society and remains tax-deductible.

No deferred tax assets/ liabilities have been recognised in the period.