



Fair Tax Mark Statement of Ethical Consumer Research Association

This statement of Fair Tax compliance was compiled in partnership with the Fair Tax Mark and certifies that Ethical Consumer Research Association meets the standards and requirements of the Fair Tax Mark's Small Business Methodology.

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 fulfill 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 reasonable anticipated that the UK's 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.

Reporting

Established in 1989, Ethical Consumer Research Association's principal activities are:

1. publishing, promoting and distributing of a bi-monthly magazine;
2. researching consumer issues of an ethical or political nature; and
3. publishing and providing information on issues of corporate responsibility.

Shareholdings

The company is a not-for-profit multi-stakeholder cooperative. Individuals holding share capital in the company are 'investor members' of the cooperative and receive interest of 3.25% on share capital.

The company has 204 investor members (as at 31 March 2018). There is currently one class of shares. No dividends are paid.

In addition to participating in the company's AGM, two members of the company's board are investor members who have been elected by the investor members. Investor members have one vote each, regardless of the number of shares held, meaning that there are no beneficial owners.

Directors' remuneration

Ethical Consumer has nine directors: two investor-directors, two non-executive directors and five worker-directors. Only the worker-directors are paid. The total pay for all worker-directors in 2017/18 was £69,404.72, the highest-paid director received £16,633.64.

Registered and Trading Addresses

The Registered Office is also the Trading address.

Financial disclosures

The average net profit before tax for the three years 2015/16 to 2017/18 was £13,900.

The average current tax charge for the three years 2015/16 to 2017/18 was £0.00.

The average current tax charge for the three years 2015/16 to 2017/18 was 0.0%.

The narrative accompanying the tax note states:

"The Society has trading losses brought forward of £56,393, due to historic losses. The society made a tax loss in the year of £13,147, after deducting the share interest paid and the capital allowances. Trading losses carried forward at 31 March 2018 were £69,540.

In addition, the Society has trading losses available of £173,060 which were transferred from its subsidiary Ethical Consumer Information Services Ltd ("ECIS") when the entire trade and assets of that Society were transferred to the holding Society in 2008. HM Revenue and Customs have agreed that if the Society makes a taxable profit after using up its own losses, it can offset the ECIS losses against 50% of those profits"

