

Registered number
OC316294

Tax Research LLP
Members Report and Accounts
for the Year Ended 31 March 2018

Tax Research LLP Members' Report

The members present their report and accounts for the year ended 31 March 2018.

Principal activities

The LLP's principal activity during the year continued to be the undertaking of research on taxation and related economic issues. The principle 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.

This was a relatively quiet year for Tax Research UK. During the year Richard Murphy continued with his appointment as Professor of Practice in International Political Economy at City, University of London. As a result his time commitment to Tax Research LLP was limited, although the work he undertook for his employer continued themes developed by Tax Research LLP. Activity is expected to remain limited in the year to 31 March 2019.

Work was undertaken for Pensions & Investments Research Consultants on the position of pension fund investors on tax transparency issues.

Work for the GUE / NGL Group of MEPs in the European Union Parliament with Salla Stausholm of Copenhagen Business School on the role of the Big 4 firms of accountants was well received and attracted a lot of publicity.

The Tax Research UK blog continued to be published and enjoyed record readership. More than 2.5 million reads were recorded during the year.

Designated members

The following persons served as designated members during the year:

Richard Murphy
Jacqueline Murphy

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 might require disclosure to HM Revenue & Customs as a tax avoidance arrangement or that might fall foul of the UK's General Anti-Abuse Rule.

Policy with respect to members' drawings and subscription and repayment of members' capital

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is assessed during the course of each financial year, taking into account the anticipated cash needs of the LLP.

This report was approved by the members on 16 December 2018 and signed on their behalf by:

Richard J Murphy
Designated member
33 Kingsley Walk, Ely, CB6 3BZ

Tax Research LLP
Profit and Loss Account
for the year ended 31 March 2018

| | Notes | 2018 £ | 2017 £ |
|---|--------------|------------------|------------------|
| Turnover | 2 | 7,817 | 44,999 |
| Cost of sales | | (3,161) | (4,525) |
| Gross profit | | <u>4,656</u> | <u>40,474</u> |
| Administrative expenses | | (3,994) | (7,280) |
| Operating profit | 3 | <u>662</u> | <u>33,194</u> |
| Interest receivable | | - | 15 |
| Profit before member's remuneration and profit share | | <u>662</u> | <u>33,209</u> |
| Profit for the financial year available for discretionary division among the members | | <u>662</u> | <u>33,209</u> |

Tax Research LLP
Registered number: OC316294
Balance Sheet
as at 31 March 2018

| | Notes | 2018 £ | 2017 £ |
|---|-------|---------------|--------------|
| Fixed assets | | | |
| Tangible assets | 4 | - | - |
| Current assets | | | |
| Debtors | 5 | 2,351 | 2,928 |
| Cash at bank and in hand | | 11,536 | 3,470 |
| | | <u>13,887</u> | <u>6,398</u> |
| Creditors: amounts falling due within one year | 6 | - | (100) |
| Net current assets | | <u>13,887</u> | <u>6,298</u> |
| Total assets less current liabilities | | 13,887 | 6,298 |
| Net assets attributable to members | | <u>13,887</u> | <u>6,298</u> |
| Represented by: | | | |
| Members' interests | | | |
| Reserves | 7 | 13,887 | 6,298 |
| Members' other interests | | <u>13,887</u> | <u>6,298</u> |

For the year ended 31 March 2018 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 LLPs subject to the small LLPs regime.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

These accounts were approved by the members on 16 December 2018 and signed on their behalf by:

Richard J Murphy
Designated member

Tax Research LLP
Notes to the Accounts
for the year ended 31 March 2018

1 Accounting policies

Basis of preparation

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 January 2017 (SORP) and the Companies Act 2006 (as applied to LLPs).

Turnover

Turnover represents the value of grants received from funders attributable to activities undertaken in the year and the value services provided to research clients as well as costs recovered in relation to research and other work undertaken. The LLP is not registered for VAT.

Depreciation

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

Plant and machinery 33.3% straight line

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.

Currency

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

| | | |
|--|-------------|-------------|
| 2 Turnover | 2018 | 2017 |
| Turnover attributable to geographical markets outside the UK | <u>58%</u> | <u>6%</u> |
| 3 Operating profit | 2018 | 2017 |
| This is stated after charging: | £ | £ |
| Depreciation of owned fixed assets | <u>-</u> | <u>745</u> |

Tax Research LLP
Notes to the Accounts
for the year ended 31 March 2018

4 Tangible fixed assets

| | Plant and machinery |
|-----------------------|--------------------------------|
| | £ |
| Cost | |
| At 1 April 2017 | 3,498 |
| At 31 March 2018 | <u>3,498</u> |
| Depreciation | |
| At 1 April 2017 | 3,498 |
| Charge for the year | - |
| At 31 March 2018 | <u>3,498</u> |
| Net book value | |
| At 31 March 2018 | - |
| At 31 March 2017 | <u>-</u> |

| 5 Debtors | 2018 | 2017 |
|------------------|--------------|--------------|
| | £ | £ |
| Trade debtors | 2,000 | 2,642 |
| Prepayments | 351 | 286 |
| | <u>2,351</u> | <u>2,928</u> |

| 6 Creditors: amounts falling due within one year | 2018 | 2017 |
|---|-------------|-------------|
| | £ | £ |
| Accruals | - | 100 |
| | <u>-</u> | <u>100</u> |

| 7 Total members' interests | Member's capital | Total |
|--|-----------------------------|---------------|
| | £ | £ |
| Balance at 1 April 2017 | 6,298 | 6,298 |
| Profit for the financial year available for discretionary division among | 662 | 662 |
| Members' interests after profit for the year | 6,960 | 6,960 |
| Drawings | <u>6,926</u> | <u>6,926</u> |
| Balance at 31 March 2018 | <u>13,886</u> | <u>13,886</u> |

99% of profit was allocated to Richard Murphy during the course of the year and 1% to Jacqueline Murphy.

Tax Research LLP
Notes to the Accounts
for the year ended 31 March 2018

8 Grants and income received

Grants in the year from charities and research foundations for which no services were supplied in exchange were as follows:

| | 2018 | 2017 |
|------------------------------|-------------|-------------|
| | £ | £ |
| Friends Provident Foundation | - | 28,038 |

The balance of income generated was for undertaking consultancy engagements. The major sources of income generated but not necessarily completed during the year were:

| | 2018 | 2017 |
|---|-------------|-------------|
| | £ | £ |
| Green Group in the EU Parliament | - | 219 |
| GUE / NGL Group in the EU Parliament | 4,516 | - |
| Norwegian Tax Authority | - | 1,183 |
| Pensions & Investments Research Consultants Limited | 2,381 | 2,000 |
| ITN | - | 1,000 |

The balance of income came from smaller consultancy engagements, broadcasting fees, book sales and royalties and expense reimbursements.

Income received in advance of services being supplied, or where an award would be refundable if conditions attaching to its grant had not been fulfilled, is treated as income in advance at the year end date.