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[Tax transparency](#) is, in the case of companies, all about being accountable for the tax due by the company.

The trouble is that the vast majority of UK based companies are not accounting for the tax that they pay for a number of reasons.

In many cases that is because they file abbreviated accounts. These are, of course, legal for small companies but they mean that no profit and loss account information, at all, is published by the companies making use of this form of reporting. Given that detailed disclosure of liabilities is also not required by them the chance that any disclosure of any sort with regard to corporation tax is made by these companies is very limited indeed.

Curiously they are a long way from being alone in this regard. Some branches of foreign companies need file no accounts in the UK, and far too many of such companies that may only trade here e.g. by renting land and buildings but are not required to file accounts with Companies House. They too fail to provide any information on the tax they pay.

But this is not the only tax opacity in company accounts. Look at the accounts of any UK parent company with a parent elsewhere in the EU (and, sometimes, elsewhere) and they do not need to file a cash flow statement, meaning that critical data on tax paid is not provided by these companies.

Multinationals do provide data on tax paid, but in far too many cases it is meaningless. Tax is, inevitably and only paid locally, but in most multinational corporation accounts there is little indication as to where profits are made, let alone where tax is being accrued or paid.

Then result is that in the vast majority of the published accounts of companies working in the UK there is very little, and in far too many cases, no information at all on the tax due and paid in this country. This is an absurd situation. When tax payable on profits is, in my opinion, the necessary price payable for the privilege of limited liability the fact that in most of the accounts we have no clue as to what UK profits are, let alone the

resulting tax due, shows a fundamental failing in the accounting requirements demanded of our companies.

The solution, in all cases, is that as a minimum, every single company trading in the UK (defined as having a permanent establishment in the UK for tax, trading through a related permanent establishment trading in the UK (to cover Amazon) and managing land, building or other assets from which income is earned in this country) must file as part of their annual accounts a statement that must be published, irrespective of the size of the company stating what the UK turnover of the company is, what its UK profits are, UK current tax liability provided and UK corporation tax paid in the year.

There is no company that does not know this data.

There is no company whose competitive position in the UK is compromised by this since absolutely every single company trading here must file it.

And there is, therefore no reason at all why this should not be required.

If any government, whether Cameron's, which committed to trade, tax and transparency in 2013, or an incoming government in 2015, cannot deliver this then they are not serious about tax transparency. And that is why this has to be on the agenda for UK tax transparency.