

Registered number  
5327824



The Tax Justice Network International Secretariat Limited

A Company Limited by Guarantee

Report and Accounts

31 December 2005

# The Tax Justice Network International Secretariat Limited

## Report and accounts

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# The Tax Justice Network International Secretariat Limited

## Company Information

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### Directors

John Christensen  
Andreas Missbach Sempach

### Secretary

Richard Murphy FCA

### Bankers

Co-operative Bank PLC

### Registered office

150 Beresford Road  
Ely  
Cambridgeshire CB6 3WD  
UK

### Registered number

5327824

# The Tax Justice Network International Secretariat Limited

## Directors' Report

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The directors present their report and accounts for the period ended 31 December 2005.

### Principal activities

The company's principal activity during the period was the supply of the services of the international secretariat to the Tax Justice Network. The Company fulfilled these tasks in the following ways during the course of this period.

### Performance and development during the year

1. The company secured funding for its work:

- Initial funding from a private donor was secured
- Long term core funding has been secured from the Joseph Rowntree Charitable Trust
- Specific grants were received for 'Tax Us If You Can', 'Tax Justice Focus' and the web site.

The company is exploring new sources of funding for its work in 2006 .

2. The company employed John Christensen as its director. He is paid as a part time employee but currently donates the balance of his working time to the company.

3. The company engages freelance assistants to edit Tax Justice Focus and to assist with media relations.

4. The International Secretariat was able to assist the Tax Justice Network in the achievement of a number of its key goals for 2005:

- Publication of 'Tax Us If You Can' in September 2005 in English and subsequently in several other languages
- Publication of other key research including 'The Price of Offshore' in March 2005
- Establishment of 'Tax Justice Focus' as the Network newsletter
- Co-staging the Essex University conference on Tax, Governance and the Globalisation of Wealth in July 2005
- Representing the Network at conferences in Belgium, France, Spain, the USA, UK, Switzerland, Jersey and the United Nations.

# The Tax Justice Network International Secretariat Limited

## Directors' Report

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5. Key objectives for the Company in 2006 are to:

- Expand the range of research undertaken by the Network
- Engage at high level with key organisations working in government, international agencies, the private sector and in civil society with regard to tax
- Co-stage the 2006 Essex University conference on Tax, Poverty and Finance for Development
- Help launch the Tax Justice Network in the USA
- Prepare for the launch of a Tax Justice Network for Africa in 2007
- Enhance the media profile of the Network
- Ensure long term financial viability for the Network.

### Risk assessment

The critical risk factor facing the company and the Tax Justice Network is one of funding. Its work has been well received. It has achieved a growing media profile. Its research is considered reliable and well founded. But without funding this work cannot continue. This issue will engage the company during 2006.

### Key points on governance and accountability

The following are considered key issues on which policies and procedures have been successfully created:

#### 1. Meetings

- Agendas for all meetings are drawn up and circulated in advance
- Meetings are run on a consensual basis
- All agenda items are dealt with and action points are noted
- Minutes are drawn up and circulated for comment
- Agreed minutes are kept in a separate minute book and are available for inspection.

# The Tax Justice Network International Secretariat Limited

## Directors' Report

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### 2. Financial records

- Donations are accepted only on the basis of no conditionality as to use
- Complete transparency is required on donations from organisations
- Donations from individuals acknowledged on an anonymous basis
- All donations are listed in year end financial statements
- Monthly accounts information is prepared and circulated to key stakeholders
- Financial systems are open and transparent.

### 3. Accountability to stakeholders

- Monthly progress reports are prepared and circulated to the Tax Justice Network International Steering Committee (TJN – ISC) and relevant donors
- The full time director reports orally to the TJN - ISC on a monthly basis
- The company is accountable to the TJN - ISC, which in turn is accountable to the TJN Council.

### 4. Travel policy

- The company works on a virtual basis
- We encourage communication by phone, email, VOIP
- We aim to minimise unnecessary journeys as far as practicable
- When journeys are necessary we encourage use of trains or buses
- We discourage the use of cars other than when it is impracticable to use other forms of transport
- When travelling by train or plain we use the cheapest ticket available.

### 5. Telecoms policy

- The company uses the services of the Phone Coop, a customer owned, democratically run telecoms and internet business.

# The Tax Justice Network International Secretariat Limited

## Directors' Report

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### 6. Pensions policy

- TJN contributes to employee pension funds.

### 7. Recycling policy

- TJN-IS staff aim to minimise the use of paper and other consumables by maintaining paper free filing systems as far as is practicable
- All waste paper is recycled
- All printer cartridges are recycled.

### 8. Language policy

- We aim to follow the language policy of the Tax Justice Network.

### 9. Responsiveness to stakeholders

- We aim to respond to written enquiries within 24 hours.

## Directors

The directors who served during the period were as follows:

John Christensen	(Appointed 10.1.05)
Andreas Missbach Sempach	(Appointed 1.3.05)

Each director was a guarantor of the company from the date of their appointment and remained so at the year end date.

## Small company special provisions

The report of the directors 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 28 April 2006.

Andreas Missbach Sempach  
Director

The Tax Justice Network International Secretariat Limited

Profit and Loss Account

for the period from 10 January 2005 to 31 December 2005

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	Notes	2005 £
Turnover	2	54,905
Cost of activities undertaken	3	(17,784)
Gross profit		<hr/> 37,121
Administrative expenses		(37,121)
Operating profit	4	<hr/> -
Interest receivable		487
Profit on ordinary activities before taxation		<hr/> 487
Tax on profit on ordinary activities	5	-
Profit for the period		<hr/> <hr/> 487



# The Tax Justice Network International Secretariat Limited

## A Company Limited by Guarantee

### Balance Sheet as at 31 December 2005

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	Notes	2005 £
<b>Fixed assets</b>		
Tangible assets	6	599
<b>Current assets</b>		
Cash at bank and in hand		17,293
<b>Creditors: amounts falling due within one year</b>	7	(17,405)
<b>Net current liabilities</b>		<u>(112)</u>
<b>Net assets</b>		<u>487</u>
<b>Capital and reserves</b>		
Profit and loss account	8	487
<b>Shareholders' funds</b>	9	<u>487</u>

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

John Christensen

Director

Approved by the board on 28 April 2006

# The Tax Justice Network International Secretariat Limited

## Notes to the Accounts

for the period from 10 January 2005 to 31 December 2005

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### 1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

#### *Turnover*

Turnover represents the value of grants and other funding supplied to the company to the extent that conditions attached to that income have been satisfied during the period.

#### *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% 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.

#### *Pensions*

The company contributes to its director's personal defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable.

2 Turnover	Purpose	2005 £
Private donor	Core funding	33,345
Christian Aid	Tax Us If You Can	10,000
CAFOD for Tax Justice Focus	Tax Justice Focus	1,500
Joseph Rowntree Charitable Trust	Core funding	8,334
AllianceSud	Website	892
Expense reimbursements		334
Contribution for provision of speaker		500
		<hr/>
		54,905
		<hr/>

The Tax Justice Network International Secretariat Limited

Notes to the Accounts

for the period from 10 January 2005 to 31 December 2005

<b>3</b>	<b>Cost of activities undertaken</b>	2005	
		£	
	Tax Us If You Can	12,700	
	Tax Justice Focus	3,000	
	Davos Award Nomination	2,084	
		<u>17,784</u>	
<b>4</b>	<b>Operating profit</b>	2005	
		£	
	This is stated after charging:		
	Depreciation of owned fixed assets	299	
	Directors' remuneration	19,833	
	Pension costs	3,600	
		<u>23,732</u>	
	Number of directors to whom benefits accrued under money purchase pension schemes	<u>1</u>	
<b>5</b>	<b>Taxation</b>	2005	
		£	
	UK corporation tax	<u>-</u>	
	Corporation tax is not due as the company has taxable profits for the year of less than £10,000 and is therefore subject to the 0% rate of UK corporation tax.		
<b>6</b>	<b>Tangible fixed assets</b>		
		<b>Plant and machinery etc</b>	
		<b>£</b>	
	<b>Cost</b>		
	Additions	898	
	At 31 December 2005	<u>898</u>	
	<b>Depreciation</b>		
	Charge for the period	299	
	At 31 December 2005	<u>299</u>	
	<b>Net book value</b>		
	At 31 December 2005	<u>599</u>	

# The Tax Justice Network International Secretariat Limited

## Notes to the Accounts

for the period from 10 January 2005 to 31 December 2005

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<b>7 Creditors: amounts falling due within one year</b>	<b>2005</b>
	£
Accruals	750
Income in advance	16,655
	<u>17,405</u>

Income in advance represents the unutilised element of grant funding supplied where that funding is conditional upon its use to meet the liabilities of the Company and is otherwise refundable.

<b>8 Profit and loss account</b>	<b>2005</b>
	£
Profit for the period	487
	<u>487</u>
At 31 December	<u>487</u>

### 9 Company limited by guarantee

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 which each member is liable to contribute is £1. There were 3 guarantor members at the balance sheet date.

### 10 Transactions with directors

£512 was paid to John Christensen during the period in respect of heat, light and other office costs incurred by him as a consequence of his making available his office for the use of the company. The supply was on arms length terms.

The Tax Justice Network International Secretariat Limited

Profit and Loss Account

for the period from 10 January 2005 to 31 December 2005

*for the information of the directors only*

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	2005 £
Turnover	54,905
Cost of activities undertaken	(17,784)
<b>Gross profit</b>	<hr/> 37,121
Administrative expenses	(37,121)
<b>Operating profit</b>	<hr/> -
Interest receivable	487
<b>Profit before tax</b>	<hr/> <hr/> 487

# The Tax Justice Network International Secretariat Limited

## Schedule to the Profit and Loss Account

for the period from 10 January 2005 to 31 December 2005

*for the information of the directors only*

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	2005 £
Turnover	
Funding received	<u>54,905</u>
<b>Cost of activities undertaken</b>	
Tax Us If You Can	12,700
Tax Justice Focus	3,000
Davos Award Nomination	<u>2,084</u>
	<u>17,784</u>
<b>Administrative expenses</b>	
Employee costs:	
Directors' salaries	19,833
Pensions	3,600
Employer's National Insurance	1,476
Travel and subsistence	<u>3,501</u>
	<u>28,410</u>
Premises costs:	
Light and heat	<u>515</u>
	<u>515</u>
General administrative expenses:	
Telephone and fax	865
Postage and stationery	1,274
Web site costs	1,806
Publications and promotion	1,468
Conference fees	621
Depreciation	299
Sundry expenses	<u>93</u>
	<u>6,426</u>
Legal and professional costs:	
Accountancy fees	<u>1,770</u>
	<u>1,770</u>
	<u>37,121</u>