



Fair Tax Mark

Guidance Notes for Co-operatives UK Members

“ Fair tax is the new fair trade. ”



"Fair tax is the new fair trade. I was one of the team of founders of the Fairtrade Mark over 20 years ago, and since that time it has changed lives across the world through trade.

"The Fair Tax Mark, pioneered by leading co-operatives, just as fair trade was, but open for every company, can also change lives, here in the UK. All it takes is for consumers, people who are taxpayers themselves, to back the companies that pay what they owe."

Ed Mayo, Secretary General, Co-operatives UK.

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I. Foreword

“Established as a bank to promote the common good, we believe a fair tax system is vital for society to thrive. Businesses have a duty to pay a fair share and to invest in the UK economy and society as a whole.”

Richard Wilcox, Managing Director of Unity Trust Bank

Corporate taxation has become a high-profile measure of how willing a company is to contribute to society and a measure of the values that the business represents. It is vital for co-ops, who strive to embody the very highest levels of business values to take the lead on the issue of taxation.

In December 2014 the Institute of Business Ethics reported that, for the second year in a row:

Worries about tax avoidance have shot to the top of public concerns about business behavior, replacing executive remuneration by a wide margin.

Co-operatives can use the Fair Tax Mark to respond to these public concerns about business behaviour. By focusing on the values that can be represented by a positive attitude towards taxation (fairness, cooperation, contribution, support) co-operatives can highlight how they differ from other ways of doing business.

The Fair Tax Mark has grown out of the campaign for greater corporate tax fairness and has been supported by a wide range of NGOs, civil society organisations, trade unions and churches. The Fair Tax Mark is more than just an outline code of corporate ethics when it comes to tax, we seek to encourage and reward companies who use taxation to demonstrate their values in practice.

That is what is unique about what we do and why nothing like the Fair Tax Mark has existed until now.

II. Pioneered by Co-operatives

The Fair Tax Mark was launched with the help of our three Pioneer organisations, each of which was a co-op (Midcounties, Phone co-op, and Unity). They saw the Fair Tax Mark as a way of gaining external, independent verification of the fact that they are committed to doing the right thing in relation to tax.

“Midcounties Co-operative is proud to be a pioneer of the Fair Tax Mark. We see this as a natural extension of our long-standing commitment to put something back into the communities in which we operate and trade”

Ben Reid, Chief Executive, Midcounties Co-operative

Co-ops have been an important partner to the Fair Tax Mark on our journey to create a unique new system for supporting and promoting businesses prepared to pay their fair share of tax. As with fair trade, living wage, animal welfare and ethical trading, the co-operative movement has found that its core values have meant they are showing leadership on issues that really matter to customers and members.

III. Fair Tax and Co-operative Values

The Co-operative movement prides itself as an alternative, fairer way of doing business. Despite being high on the list of how the public expects a business to act, being proud to pay tax is not currently perceived as 'normal' corporate behavior. The Fair Tax Mark therefore offers an opportunity for a co-operative to use taxation as a way of showing how cooperative principles work in practice.

The 7th principle of the 1995 ICA revision of the Rochdale Principles states that co-ops should support the 'sustainable development of their communities'. Contributing to wider society through the payment of a fair share of tax is therefore already at the heart of what it means to be a co-op. Gaining a Fair Tax Mark gives a co-operative another method of showing how the co-op principles drive it to do things differently.

Other key values at the heart of cooperatives of all sizes include “fairness’, ‘transparency’, ‘responsibility’ ‘openness’ ‘social responsibility” - a Fair Tax Mark is a way of using tax to publicly demonstrate all of these.

The Fair Tax Mark’s guiding principles when it comes to corporation tax are that:

- A co-operative should pay the right amount of tax (but no more) in the right place at the right time according to the spirit of the law of the jurisdiction in question.
- A co-operative should be able to be held to account by all relevant stakeholders on its tax behavior based on the information the coop chooses to publish.

The Fair Tax Mark is seeking to:

- Evidence robust tax strategies that in turn reflect sound corporate governance principles, fair play, integrity and an approach to business that all stakeholders can trust;
- Give an indication of that approach in a readily accessible and non-technical manner;
- Encourage trade with companies that adopt such strategies.

By doing so, we are unambiguously seeking to boost the fortunes of the co-operatives that pay fair tax and are transparent and fully accountable about it. For us, this is evidence that they are good citizens who are willing to pay their way in the world for the benefit of the common good, of which they form a valuable part. We are unashamed about that: doing the right thing should pay a return to those who do it. That is what the Fair Tax Mark seeks to encourage.

IV. How co-ops can benefit from working with the Fair Tax Mark

The ownership structure and underlying values of a co-op means they are far more likely to act on social issues and match the beliefs that are important to members. The Fair Tax Mark can help communicate the central co-operative values to members, staff and customers alike.

A co-operative has two distinct methods of engaging with the Fair Tax Mark:

1 Consultancy and transparency advice –

The Fair Tax Mark is an independent organisation which can offer advice and guidance on how a co-op can achieve the highest possible level of tax reporting and how it can communicate this to an industry-leading standard. At present the Fair Tax Mark is the only set of independent and open guidelines that management boards, members or customers can use to determine if an organisation is doing the right thing in relation to its tax affairs.

We can help ensure that a co-op's overall commitment to being honest and open with members and customers is integral to all elements of activity, including financial reporting.

If a co-op may not feel ready or able to pursue being awarded a Fair Tax Mark but just wants some external independent advice on improving public reporting, then the Fair Tax Mark is able to offer a package of help and advice.

2 Gaining a Fair Tax Mark –

Being able to display a Fair Tax Mark demonstrates to members, customers and other stakeholders that a co-op has completed a rigorous, independent and open accreditation process. As the only independent method available to consumers looking for businesses that do the right thing with tax, the Fair Tax Mark is a unique marketing and CSR tool.

All Fair Tax Mark organisations have their publicly available financial information assessed against our scoring criteria. A successful pass means that a company is able to display the Fair Tax Mark for one year.

Usually the accreditation process begins several months before the accounts are due to be published. We work in partnership with the companies who seek to prove they are listening to their customers' demands to be open about tax. We produce a detailed report on what steps a co-op needs to take in order to improve its tax reporting to a point where accreditation is possible. Where additional information is required, the Fair Tax Mark team will provide suggested wording that will help clarify your accounts to your members. This ensures that every company we work with can have a clear understanding of what steps they need to implement to improve their tax reporting.

V. The development process

The Fair Tax Mark criteria have been devised in a process that has taken more than a year of research and consultation. This has involved a broad range of stakeholders including civil society NGOs, business representatives and industry practitioners. Input has also come from our group of independent technical advisers drawn from academia and the professions.

Developing the criteria is an evolving process of negotiation that responds to changes in the regulatory environment and is open to as many voices as possible.

If you have any comments about these notes or about the Fair Tax Mark in general, please email us: info@fairtaxmark.net.

You can also leave a message for the team via our website: www.fairtaxmark.net or write to us: Fair Tax Mark c/o ECRA Publishing Ltd, Unit 21, 41 Old Birley Street, Manchester, M15 5RF.

VI. Assessment Criteria

Introduction

These guidance notes explain all the criteria for assessing the corporation tax arrangements of UK co-operatives, as well the information that is required to address each one.

The specific reporting requirements required for a specific Registered Society are set out in the “Co-operative and Community Benefits Societies Act 2014”

Co-operatives are awarded points for meeting each criterion up to and including a potential total score of 20 points.

In the first year of assessment, co-operatives can achieve a Fair Tax Mark by scoring above the threshold of 13. However, in future years this is likely to be raised as the methodology and learning evolves.

The overall assessment is split into two parts:

- Transparency
- Tax rate, tax avoidance and disclosure

Aims and Benefits of the Fair Tax Mark Criteria

“better communication around tax can create significant value by building trust and enhancing reputations” (PWC 2012)

The Fair Tax Mark is about acknowledging, assuming responsibility for and being transparent about the impact of a company’s taxation decision-making and policy.

The Fair Tax Mark is an indication that a co-operative is accountable to members, customers and other stakeholders when it comes to tax.

As such the Fair Tax Mark is recognition that tax is more than a quantitative assessment of the amount of tax paid. Gaining a Fair tax Mark is an issue of qualitative importance that ensures the values and principles that are part of the co-op movement are demonstrated in meeting its financial obligations to the community.

The basic premise of the Fair Tax Mark is that a Fair Tax co-operative:

Has adopted a fair tax policy that suggests that it is seeking to pay the right amount of tax (but no more) in the right place at the right time, where 'right' means that the economic substance of the transactions undertaken coincides with the place and form in which they are reported for taxation purposes;

Is transparent about who owns it, what it does and where it is;

Provides sufficient accounting data to suggest that its fair tax policy has been put into practice.

The value of the Fair Tax Mark criteria works in two ways: it protects the co-operatives from both reputational and financial risk at the same time as projecting an image of openness, honesty and trustworthiness to consumers and members.

The purpose of the Fair Tax Mark

The purpose of the Fair Tax Mark Criteria 2014-15 is to provide organisations with a widely accepted and freely available set of criteria to guide them to achieving maximum transparency and fairness in their taxation policies, especially when it comes to the preparation of material for publication.

This version of the assessment tool has been designed for use by (all must apply):

UK limited companies, co-operatives and plc's. It is not suitable for sole traders and partnerships not putting accounts on public record. Nor is it suitable for limited liability partnerships where the owners pay the tax for the business and so no tax declaration is made by the organisation.

Companies or co-operatives that only trade from the UK

Companies or co-operatives that do not use tax havens (including for employee benefit trusts etc.)

NB: Companies or co-operatives that have made losses over multiple years will be assessed on a case-by-case basis, but loss-making is not necessarily a barrier to being awarded a Fair Tax Mark

The Assessment Criteria

This section explains the assessment criteria used in the Fair Tax Scorecard (section V).

PART 1: TRANSPARENCY

Each criterion in this section is worth one point.

1. Accounts

Fair Tax Mark question

Does the Registered Society publish the full set of accounts that it supplies to its members on public record at Financial Conduct Authority or on its website even if not required to do so by law? Purpose

This criterion ascertains whether or not a co-operative places on public record the full set of accounts (rather than abbreviated accounts) that it is required to give to its members. Usually this would involve the accounts submitted to Financial Conduct Authority, but exceptions can be made where a co-operative permanently uploads its full accounts to its website.

If the co-operative does not publish its accounts in any of the above ways, the information required to award a Fair Tax Mark is not available and the assessment cannot continue.

Information required

Please attach a copy of the most recent financial statements or accounts of the co-operative. It is recommended that the accounts be submitted in machine-readable form and under an open license that gives explicit permission for reuse.

2. Co-operative activity

Fair Tax Mark question

Does the co-operative provide a clear description of its trade in its directors' report that is included in its annual financial statements, even if not required to do so by law?

Purpose

This criterion assesses whether it is possible to find out what a co-operative does. The amount of public information required by law on this issue is very limited. However, it is difficult to form any objective opinion on a co-operative, its accounts and its tax payments without a good idea of what the co-operative actually does. There needs to be sufficient information to understand the nature of the co-operative.

Information required

Evidence of what the co-operative does. This might be obtained from:

Website

Advertising or brochures

3. Co-operative location

Fair Tax Mark question

Does the Registered Society provide clear trading address and contact information? If the trading address is not the same as the registered office this must be made clear.

Purpose

This criterion assesses whether it is possible to clearly identify the co-operative's place of trading. The only address that a co-operative has to record on public record is that of its registered office but in many cases it does not trade from that address. Unless information on where it actually trades from is made available in its accounts it can be very difficult to find out where a co-operative might be contacted, contravening the principles of transparency.

Information required

Evidence of the address at which the Registered Society trades if this is distinct from the registered address. This might be obtained from:

Website

Advertising or brochures

Directories

4. Beneficial ownership

Fair Tax Mark question

Does the co-operative provide a clear statement of who its beneficial owners are?

Purpose

Co-operatives and community interest companies usually operate under ownership structures where many members ultimately own them or their 'share' capital does not represent ownership. In these cases, if the business is transparent about its ownership structure then it will be judged as fulfilling this criterion. The required evidence might be obtained from:

Website

Advertising or brochures

Directories

Annual return form of the co-operative submitted to Financial Conduct Authority

5. Management

Fair Tax Mark question

Are the names and addresses of all directors provided either in the accounts or at Financial Conduct Authority?

Purpose

This criterion assesses whether it is possible to ascertain who manages a co-operative. This is another core transparency issue as directors are responsible for ensuring a co-operative fulfills its legal obligations. Knowing they are people who can be both identified and trusted is vital so that the co-operative can be held fully to account for its actions.

Information required

Evidence of the names and addresses of the real directors of the co-operative is required. The names given must not just be those legally recorded as being directors but also those who are used to giving instruction to those directors if this is the case. The required evidence might be obtained from:

Website

Advertising or brochures

Directories

Annual return form of the co-operative submitted to Financial Conduct Authority

Exception

Under certain circumstances, directors can be granted an exception from disclosure of home addresses under UK law. If this is the case, but the full names are given along with a proper notified service address, the co-operative can be judged to have fulfilled the criterion.

PART 2: TAX RATE, TAX AVOIDANCE AND TAX DISCLOSURE

Whilst the Fair Tax Mark rewards co-operatives for paying close to the headline rate and making a fair contribution to society, it also recognises and is careful not to penalise the fact that co-operatives are also allowed various allowances and reliefs that may reduce their effective rates over a number of years.

To this end, the Fair Tax Mark puts a major emphasis on the way a co-operative explains its tax rate, awarding points for well-communicated numerical and narrative explanations of the tax charge regardless of the actual rate.

6. Tax policy

Fair Tax Mark question

Does the co-operative have a tax policy either on its web site or referred to in its accounts? (1 mark).

Does that tax policy say that the co-operative will not (2 marks for each):

Abuse tax havens?

Undertake tax avoidance e.g. by using artificial or abusive transactions to reduce taxes paid?

Purpose

This criterion assesses whether it is possible to find out what the co-operative objectives are with regard to tax and rewards the statements for their content and aims. Every co-operative has a tax policy, even if it has never explicitly recorded it, otherwise it could not manage its affairs properly. However, few companies state what their policy is and that means that in this vital area few companies can explain fully their motivations for certain decisions nor can they be held to account.

Information required

A clear statement on tax policy within the accounts that includes explicit reference to:

the intention not to abuse tax havens

the intention not to structure transactions artificially or abusively for the purpose of avoiding tax

Ideally this would state all the taxes it covers, be in the directors' report and cover some or all of the points below. However, having clear statements on the above with publication on a website will be judged sufficient to fulfill the criterion in the first year.

Model tax policy notes would include a co-operative's commitment:

Not to maintain any type of connection to tax havens when this is not a legitimate trading activity with the purpose of serving the local community

Not to use marketed tax avoidance schemes requiring disclosure under DOTAS regulations (Disclosure Of Tax Avoidance Schemes)

Not use any arrangement that might fall foul of the General Anti-Abuse Rule

Not to use Employee Benefit Trusts located in tax havens

Not to structure remuneration in a way that potentially falls foul of the IR35 or disguised remuneration rules

If the co-operative is undertaking the Fair Tax assessment for the first time, it is acceptable for the tax policy note to be made available on a website.

7. Average tax rate

Fair Tax Mark question

Note the co-operative's average tax rate and award points as follows:

One point if the co-operative's current tax rate is between 5% and 7% below the expected rate;

Two points if the co-operative's current tax rate is between 3% and 5% below the expected tax rate;

Three points if the co-operative's current tax rate is between 1% and 3% below the current expected tax rate;

Four points if the co-operative's current tax rate is within 1% of the current expected tax rate or above it.

This question scores a maximum of four but two points are automatically awarded if the co-operative explains its tax position well by scoring above four in questions 8, 9 and 10.

Purpose

This criterion assesses the current tax rate that a co-operative is paying and how that compares over time to the expected headline rate.

Information required

The co-operative's tax charges over the previous four years split into current and deferred tax charges.

Exception

If there are years in which the co-operative makes a loss, the expected headline rate can be dropped to 0% for those years.

8. Numerical reconciliation

Fair Tax Mark question

Does the Registered Society provide a numerical tax reconciliation of its actual current tax charge to the current tax charge that might be expected for the year at the tax rate applying to the profits of the Registered Society?

Note: A bonus point may be added if at least 75% of the reconciling items are precisely described e.g. using such phrases as 'The impact of capital allowance claims' or 'Reduced tax owing on capital gains arising'. Terms such as 'Other' or 'Losses' (without explanation being given) do not qualify in this respect

Purpose

This criterion assesses whether it is possible to understand a co-operative's tax liability using its numerical explanation.

It is rare that a co-operative pays an amount in corporation tax equivalent to the current headline tax rate multiplied by its declared profits before tax. There are many and varied reasons for the differences that arise, from tax allowances for capital investment and research and development due to the expenses that may be disallowed for tax purposes e.g. those relating to business entertaining expenditure.

If a co-operatives tax liability is to be properly understood the difference between the tax that might be expected to be paid in a period and the tax actually due for that period must be explained in a clear and transparent manner.

Information required

A numerical tax reconciliation note should be included in the accounts, which explains in sufficient detail the difference between the current reported accounting profits and the current tax rate. The reconciliation should be specific in the matters it refers to and not rely on vague descriptions. To this end, at least 75% of the reconciling items should be precisely described e.g. using such phrases as 'The impact of capital allowance claims' or 'Reduced tax owing on capital gains arising'. Terms such as 'Other' or 'Losses' (without explanation being given) do not qualify in this respect.

Exception

If the co-operative has made a loss in previous years and only pays a low rate of tax in the current year as losses are carried forward, a full reconciliation note may not be needed. If this is the case, an explanation of how the losses affect the current rate is required to fulfill the criterion.

9. Narrative reconciliation

Fair Tax Mark question

Does the co-operative provide a written explanation as to why its current tax charge differs from the charge expected for the year at the tax rate applying to the profits of the co-operative?

Purpose

This criterion assesses whether it is possible to gain further insight into a co-operative's tax liability with a narrative explanation as to why the co-operative did not pay the required rate of tax in the year, if that was the case. It provides further explanation to the numerical reconciliation of the tax note referred to above.

Information required

A narrative explanation should be included in the accounts, which explains in sufficient detail the difference between the current reported accounting profits and the current tax rate. This should refer to all the major items in the numerical reconciliation noted above and explain why they have arisen and what their consequences might be. The reconciliation should be specific in the matters it refers to and not rely on vague descriptions.

10. Deferred taxation

Fair Tax Mark question

Does the co-operative have a deferred tax note with accompanying narrative explanation explaining why deferred tax provisions or assets have arisen in the period, how the balance of those assets or liabilities is made up and when they are likely in practice to have an impact on the co-operative's tax bill?

Purpose

This criterion assesses whether it is possible to gain insight into a co-operative's deferred taxation. The current tax charge is the subject of questions 7 and 8. The tax charge in a set of accounts can, however, also include a deferred tax charge and a co-operative may have deferred tax assets or liabilities on its balance sheet.

Like the current tax charge these need explanation if sufficient transparency is to be provided to ensure that the co-operative's tax affairs can be properly understood.

Information required

A numerical analysis of the deferred tax charge for the period giving sufficient explanation of the reason for the deferred tax charge for the period; a narrative note providing further explanation of the deferred tax charge; a numerical analysis of the deferred tax asset or liability stating the reason why it has arisen; and a narrative note saying when the deferred tax asset or liability might have cash implication.

Exception

If the co-operative does not have a deferred tax charge or deferred tax assets or liabilities it is automatically exempt from this criterion and can be awarded full points.

11. Directors' remuneration

Fair Tax Mark question

Does the co-operative disclose the total pay including bonuses of the co-operative directors with the highest paid director being disclosed separately, as required by law?

Purpose

This criterion assesses whether it is possible to ascertain the total pay of directors, including separate disclosure of the payment made to the highest paid director.

Information required

The total salary reward cost of the directors of the co-operative in the period with separate disclosure of the sum due to the highest paid director.

Bonus questions

Although the above questions are those on which the Fair Tax Mark is awarded we think it fair to give indication of those questions we might want to add to the marking process in future, of which there are two at present.

Both focus on disclosure of corporation tax either paid or due to be paid are as follows:

12. Does the co-operative separately disclose its corporation tax and other tax liabilities owed or owing in its accounts, as required by Registered Society law?

13. Does the co-operative separately disclose its corporation tax paid or received in the year in its accounts, whether required to by law or not?

The reason for seeking this information is that there is a growing tendency to suggest that corporation tax actually paid is the best indication of tax compliance since this is the sum actually reaching government that is used to benefit society.

We do not wholly share that view, but think that it is important that the tax charge in a co-operative's accounts can be reconciled with the tax payments that it actually makes. This is not possible unless the information referred to in questions 12 and 13 is made publicly available. Therefore at this stage we are encouraging disclosure of this information but are not, as yet, awarding marks for its publication.

In the case of question 13, this should already be disclosed in all co-operative accounts, but is not necessarily clearly indicated.

VII The Fair Tax Scorecard

| CO-OPERATIVE NAME | | |
|--|----------------------------|-------|
| CRITERIA | Total points available (n) | NOTES |
| TRANSPARENCY | | |
| 1. Does the co-operative publish a full set of accounts (even if not required to do so by law)? | (1) | |
| 2. Is there clear evidence of what the co-operative does either within its accounts or on an easily identifiable website that it runs? | (1) | |
| 3. Is there clear reference to a trading address (as opposed to a registered office, or a statement that they are the same) in the accounts? | (1) | |
| 4. Is the co-operative transparent about its structure and relationship and clear who all the beneficial owners are? | (1) | |
| 5. Are the names and addresses of all directors provided either in the accounts or with the Financial Conduct Authority? <i>Note: if the directors have been provided with an exemption from supplying this data or a properly notified service address is used, a mark may still be given for this answer.</i> | (1) | |

| TAX RATE, TAX AVOIDANCE AND DISCLOSURE | | |
|--|----------------------------------|--|
| <p>6. Does the co-operative have a tax policy either on its web site or referred to in its accounts? (1 mark)</p> <p>Does that tax policy say that the co-operative will not (2 marks for each):</p> <p>Abuse tax havens?</p> <p>Undertake tax avoidance e.g. by using artificial or abusive transactions to reduce taxes paid?</p> | <p>(1)</p> <p>(2)</p> <p>(2)</p> | |
| <p>7. Is the co-operative's average tax rate within 1% (4), 1-3% (3), 3-5% (2) or 5-7% (1) of the headline rate?</p> <p>Grant up to 2 bonus points (the total score in this box cannot exceed 4) if the marks from questions 8, 9 and 10 when combined equal at least 4 in total.</p> | <p>(4)</p> | |
| <p>8. Does the co-operative provide a numerical tax reconciliation of its actual current tax charge to the current tax charge that might be expected for the year at the tax rate applying to the profits of the company?</p> <p><i>Note: A bonus point may be added if at least 75% of the reconciling items are precisely described e.g.</i></p> | <p>(1)</p> <p>(1)</p> | |

| | | |
|---|--|--|
| <p><i>using such phrases as 'The impact of capital allowance claims' or 'Reduced tax owing on capital gains arising'. Terms such as 'Other' or 'Losses' (without explanation being given) do not qualify in this respect.</i></p> | | |
|---|--|--|

| | | |
|--|-----|--|
| <p>9. Does the co-operative provide a written explanation as to why its current tax charge differs from the charge expected for the year at the tax rate applying to the profits of the company?</p> | (1) | |
| <p>10. Does the co-operative provide a written and numerical explanation of its deferred taxation liabilities? (1 mark for each)</p> | (2) | |
| <p>11. Does the co-operative disclose the total pay including bonuses of the company directors, with the highest paid director being disclosed separately as required by company law?</p> | (1) | |

| | | |
|---|------|--|
| <p>TOTAL OUT OF 20</p> | (20) | |
| <p>Bonus questions, not yet scoring but likely to do so in future:</p> | | |
| <p>12. Does the co-operative separately disclose its corporation tax and other tax liabilities owed or owing in its accounts, as required by company law?</p> | Y/N | |

| TAX RATE, TAX AVOIDANCE AND DISCLOSURE | | |
|--|----------------------------------|--|
| <p>6. Does the co-operative have a tax policy either on its web site or referred to in its accounts? (1 mark)</p> <p>Does that tax policy say that the co-operative will not (2 marks for each):</p> <p>Abuse tax havens?</p> <p>Undertake tax avoidance e.g. by using artificial or abusive transactions to reduce taxes paid?</p> | <p>(1)</p> <p>(2)</p> <p>(2)</p> | |
| <p>7. Is the co-operative's average tax rate within 1% (4), 1-3% (3), 3-5% (2) or 5-7% (1) of the headline rate?</p> <p>Grant up to 2 bonus points (the total score in this box cannot exceed 4) if the marks from questions 8, 9 and 10 when combined equal at least 4 in total.</p> | <p>(4)</p> | |
| <p>8. Does the co-operative provide a numerical tax reconciliation of its actual current tax charge to the current tax charge that might be expected for the year at the tax rate applying to the profits of the company?</p> <p><i>Note: A bonus point may be added if at least 75% of the reconciling items are precisely described e.g.</i></p> | <p>(1)</p> <p>(1)</p> | |

| | | |
|---|--------------------|--|
| <p>13. Does the co-operative separately disclose its corporation tax paid or received in the year in its accounts, whether required to by law or not?</p> | <p>Y/N</p> | |
| <p>TOTAL OUT OF 20</p> | <p>(20)</p> | |

VIII The Fair Tax Mark Technical Group

The Fair Tax Mark is being advised by a group of technical experts. The members of this group are:

Kate Clements, Chartered Accountant & Lecturer in Accounting, Heriot-Watt University

Alex Cobham, Economist, Centre for Global Development

Paul Gibson, Chartered Accountant, Mazars LLP

Euan Grant, Former Inspector, HMRC

Jonathan Gray, Director of Policy and Ideas, Open Knowledge Foundation

Richard Lupson-Darnell, Chartered Tax Advisor

Richard Murphy, Tax Specialist, Tax Research UK

David Quentin, Barrister

IX About The Fair Tax Mark

About us:

Fair Tax is a non-profit social enterprise that bridges the gap between corporate responsibility and the wider campaign to get companies to pay their fair share of tax.

We promote tax fairness as an integral part of a responsible business.

Our vision:

We strive for a future where all businesses are proud to contribute their fair share of tax to society and can prove it to all their stakeholders.

'Our aim is for all businesses to want to reap the benefits of a Fair Tax Mark.'

Our mission:

We encourage businesses and their stakeholders to make decisions that promote tax transparency and fairness.

Our core business:

Our core business is the Fair Tax Mark: an accreditation scheme that rewards businesses that are good taxpayers.

We work with technical experts and other stakeholders to outline the standards that businesses need to achieve to become Fair Tax accredited.

We work with businesses of all sizes, from independent high street shops to large multinationals, to help them achieve those standards.

We work to raise public awareness of the Fair Tax Mark and accredited businesses in order to bring Fair Tax businesses and consumers together.

We provide bespoke research and consultancy services.

VII Company Information and Notes

Fair Tax Mark Limited is a not-for-profit Community Benefit Society registered under the Co-operatives and Community Benefit Societies Act

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Published 2015