Fair Tax Mark Statement for Ethical Investors (UK) Limited (January 2025)

This statement of Fair Tax compliance was compiled in partnership with the Fair Tax Foundation ("FTF") and certifies that Ethical Investors (UK) Limited ("Ethical Investors") meets the standards and requirements of the FTF's UK Small Business Standard for the Fair Tax Mark certification.

Our Tax Policy

Ethical Investors is 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 being responsible participants in society. We will fulfil our commitment to paying the appropriate taxes that we owe by seeking to pay the right amount of tax, 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 that we undertake during the course of our trade.

We will not 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. Ethical Investors 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 reasonably 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 may 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 the information that users, including HM Revenue & Customs, might need to properly appraise our tax position.

Our Trading Address

The registered office address of Ethical Investors is: Third Floor, Formal House, 60 St. Georges Place, Cheltenham, Gloucestershire, GL50 3PN – and this is also our trading address.

Our Tax Disclosures

Our average net profit before tax over the last three years ended 30 September 2022 to 2024 was £270,198. The average current tax charge over the last three years was £59,874 (22.2%). The average expected current tax charge over the same period was £59,443(22.0%). The reason that the average current tax charge for Ethical Investors is slightly more than what would be expected, is explained below in the following current tax reconciliation with accompanying narratives:

	£
Average net profit before tax	270,198
Average expected corporation tax (22.0%)	**59,443**
[1] Expenses not deductible for tax purposes	411
[2] Depreciation in excess of capital allowances	20
Average current tax charge (22.2%)	**59,874**

As at 30 September 2024, Ethical Investors had no deferred tax assets or liabilities on its Statement of Financial Position; and had no movements in deferred tax expensed or credited to the Statement of Comprehensive income.

Transactions with Directors

For the year ended 30 September 2024, directors' remuneration (consisting of salary and pension contributions) amounted to £79,972.

[1] **Expenses not deductible for tax purposes** – some business expenses, although entirely appropriate for inclusion in the accounts, are not allowed as a deduction against taxable income when calculating the tax liability. Examples of such expenses are client entertaining.

[2] **Depreciation in excess of capital allowances** – the accounting and tax treatments of fixed assets are different. For accounting, fixed assets are depreciated over their useful lives. For tax, there are specific rules on what can be claimed. These differences create a tax adjustment, which is only a timing difference. Eventually, the total depreciation in the accounts will match the total capital allowances in the tax returns. However, during the period under review, the tax treatment of our fixed assets was less favourable than our accounting treatment.