

Annual Report 2023



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Tax Justice Network, Company Limited by Guarantee in England & Wales
no. 05327824

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Administrative information

Company type	Tax Justice Network is a UK-registered private company limited by guarantee without share capital, using the 'Limited' exemption (a non-profit company)
Company number	05327824
Registered office	c/o Godfrey Wilson Ltd, 5th Floor, Mariner House, 62 Prince St, Bristol BS1 4QD
Directors	Charles Abugre Akelyira Alex Cobham Sioned Jones Laila Latif Markus Meinzer (resigned 24 February 2024) Yamini Mishra Nara Monkam Elizabeth Nelson Irene Ovonji-Odida Luisa Emilia Reyes Zuniga Norbert Walter-Borjans (resigned 28 September 2023)
Chief Executive	Alex Cobham
Secretary	Sioned Jones
Bankers	Cooperative Bank Plc 1 Balloon Street, Manchester M60 4EP Metro Bank One Southampton Row, London WC1B 5HA Triodos Bank Deanery Road, Bristol BS1 5AS Deutsche Bank Biegenstrasse 2, 35037 Marburg, Germany Santander Paseo de la Castellana, 24, 28046, Madrid
Auditors	Godfrey Wilson Ltd 5th Floor, Mariner House, 62 Prince St, Bristol BS1 4QD
Solicitors	Stone King LLP 13 Queen Square, Bath BA1 2HJ

Directors' report

The directors present their report and the audited financial statements for the year ending 31 December 2023. Administrative information on this page forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the relevant accounting standards.

Chief executive's report

Tax is our social superpower! Welcome to the annual report marking twenty years since the formal launch of the Tax Justice Network, at the UK Houses of Parliament in 2003 – since when we've been spreading the message of the crucial role that tax can play in delivering better, longer, healthier lives for everyone in fairer, stronger societies. In that time we've been able to catalyse and contribute to a genuinely global movement; to bring a series of 'impossible' and 'utopian' policy measures onto the global policy agenda; and to root our work increasingly firmly in the wider movement for social justice and human rights.

But 2023 has also been about looking forward, with a critical step taken on the journey to the biggest prize of all in global tax justice: the end of the colonial hegemony of former imperial powers setting international tax rules through their club, the OECD, and the move to create the first ever, globally inclusive forum for tax rule-setting - under the auspices of the United Nations. Our new strategic framework, Beyond20, charts the path forward for our efforts at the UN and beyond, setting out a comprehensive policy framework and our commitment to shifting public narratives in order to achieve them.

UN stewardship of global tax

We have long advocated for a more representative, more transparent, and more responsive platform for the development of global tax policy. In November 2023, an overwhelming majority of countries took historic action towards making this a reality. Countries at the UN adopted by a

landslide majority a resolution to begin the process of establishing a UN framework convention on tax, to completely change how global tax rules are decided. The success of the resolution despite powerful resistance is a rare feat, and demonstrates the overwhelming demand from countries outside the OECD for the meaningful voice on global tax rules which they have historically been denied - and, perhaps, the recognition of some OECD members that the organisation lacks effectiveness as well as being indefensibly exclusionary.

While this vote was the focus of collective advocacy, important groundwork was also happening elsewhere. Our team members were heavily engaged in the Latin America Summit in Cartagena (working closely both with Ministerial officials in the region, civil society, and UN human rights officials) using Tax Justice Network tools and data to press home the importance of the shift of tax governance to the United Nations. A specific outcome of the Cartagena Summit was the establishment of a Platform on Tax which is chaired by the Colombian Government; and an invitation to join a dialogue with the Chilean Minister of Foreign Affairs, the UN High Commissioner on Human Rights, the UN office coordinator in Chile and the new member of the Committee on Economic, Social and Cultural Rights with a view to keeping the momentum going on truly securing global tax policy development.

The vote marked a turning point, and sets us on an exciting new course in 2024 and beyond, in pursuit of tax justice. The work of the Ad Hoc Committee to Draft Terms of

Reference for a United Nations Framework Convention on International Tax Cooperation is scheduled for January–August 2024, with a new General Assembly resolution to begin formal negotiations expected later in the year.

20 year anniversary

As part of our 20 year anniversary, we asked On Think Tanks to conduct an evaluation of the impact we have had, the difference our research and activism have made, the policy changes we have contributed to, and the broader benefit from our wins (and failures!) over the past 2 decades. [OTT's assessment](#) highlighted how:

- The Tax Justice Network places a strong emphasis on evidence-based outputs and advocacy, which are fundamental pathways towards sustainability, professionalism, and impact.
- The Tax Justice Network has emerged as an accessible resource for media outlets, development organisations, government institutions, and grassroots movements seeking to interpret, substantiate, and assess arguments in the realm of tax justice, with the scope and reach of our media coverage having increased over the years.
- The journey towards a UN tax convention has been significantly underpinned by arguments and evidence put forth by the Tax Justice Network, providing an important part of the empirical basis to substantiate the arguments for a revolutionary governance shift.

- The Tax Justice Network has helped to catalyse a global movement through two primary channels. One avenue is diffusion, where staff or associates draw inspiration from the Tax Justice Network and establish their own tax justice initiatives or research agenda. The other involves providing support and convening global meetings primarily led by leaders from the global south and shaped by their agenda.

As in the two decades before, this work continued throughout 2023: deepening and expanding our research, analysis and advocacy, to secure narrative shifts, and bring about systemic change to challenge tax injustice.

Beyond20

Looking ahead to the next 20 years, we also published our new strategic framework – [Beyond20](#). This was important, because – while the last two decades have seen some transformative steps forward – the world remains characterised by pervasive tax injustice. Our policy platform to curb this is summarised as the **ABC DEFG₃** of tax justice:

- The **ABC** of tax transparency ([Automatic information exchange](#); [Beneficial ownership transparency](#) through public registers for companies, trusts and other legal vehicles; and [public Country by country reporting](#) for multinationals);
- The **DE** of domestic measures to ensure transparency results in effective accountability ([Disclosure](#) of sufficient public data, and [Enforcement](#) by well-resourced and

- operationally independent tax authorities);
- The **FG₂** of international elements (**F**ormulary apportionment with unitary taxation, to end corporate tax abuse by ensuring that profits are taxed in the location of the real, underlying economic activity; **G**overnance reform, centred on the establishment of a genuinely, globally inclusive process for the setting of tax rules and standards, under UN auspices; and a Global asset register (GAR), to connect and broaden the range of beneficial ownership registers across all legal vehicles and high-value assets, across jurisdictions, to provide a critical tool against abuse of tax, regulations and sanctions); and
 - **G₃**, *Good taxes* – a catch-all covering a progressive and effective overall tax system,

and significant individual components of the tax justice agenda including wealth taxes, climate-related tax measures, excess profits taxes and minimum effective tax rates.

Global governance changes are crucial to the prospects of delivering policy changes in each area that can finally curb the scale of tax abuse, and address the global inequalities in taxing rights. Our 20th anniversary year was a good one, that has laid the groundwork for even more ground-breaking, paradigm-shifting work in 2024.



Alex Cobham
Chief Executive, Tax Justice Network

Objectives

The Tax Justice Network is a not-for-profit research and advocacy organisation that seeks to inform and influence public opinion and public policy on a wide range of issues related to tax, tax havens and financial globalisation.

We have a global outlook and work with partner organisations in jurisdictions across the world, as well as with a large number of individual collaborators including academics, tax professionals and other experts in a range of different fields.

Our sister organisation, the Global Alliance for Tax Justice, co-ordinates the campaigning activities of a large number of organisations across the world that work on tax justice issues.

Much of what we are established to do is charitable in nature and is carried out for the benefit of the general public. Our activities of this sort may be supported and funded by charities and other non-profit organisations. However, the Tax Justice Network is not, and is not intended to be, a charity in law.

The objects of Tax Justice Network, as set out in its articles of association, are:

1. To eliminate cross-border tax evasion and limit the scope for tax avoidance, so that large corporations and wealthy individuals pay tax in line with their ability to do so;
2. To increase citizens' influence in the democratic control of

taxation, and restrict the power of capital to dictate tax policy solely in its own interest;

3. To restore similar tax treatment of different forms of income, and reverse the shifting of the tax burden onto ordinary citizens;
4. To remove the tax and secrecy incentives that encourage the outward flow of investment capital from countries most in need of economic development;
5. To promote research into and education on the ways in which tax and related regulation and legislation can be used to promote development, encourage citizenship and relieve poverty within the context of local, national and international economies and societies;
6. The pursuit of such charitable purposes in connection with any of the above objects which the directors, in their discretion, see fit; and
7. Any and all such other purposes in areas related to the above objects which the directors, in their discretion, see fit.

Nothing in these objects shall include any purpose or activity which is not permitted to be carried out by an organisation that is described in section 501(c)(3) of the United States Internal Revenue Code of 1986 (as amended).

Our Theory of Change and main activities in 2023

The Tax Justice Network's vision – and the ultimate impact to which we are dedicated – is the achievement of a world in which all people can enjoy the full benefits of tax justice. Tax is a social superpower. Tax generates revenues to fund public services and effective states more broadly. Tax provides the main means of redistribution to eliminate harmful inequalities. Tax is the glue in the social contract, that underpins inclusive political representation. Together, these channels make tax crucial to how we organise ourselves as societies, instead of living nasty, solitary, short, brutish lives alone. Tax justice creates the potential for well-funded states that deliver for us all.

Our mission is to contribute to creating the conditions for achieving tax justice by challenging false narratives, and normalising bold, progressive proposals. Our role is to provide consistent, credible research and analysis of tax abuse and the necessary responses, disseminated globally through a powerful communications platform and through international advocacy in close collaboration with the wider movement.

We label the nine outcomes necessary to deliver that aim as the ABC DEFG³ of tax justice.

We have learned – and our history provides the evidence – that these will be sustainably delivered only when the supporting narratives are in

place. The public and policymakers alike must recognise the importance of the problem, to which the A to G³ offer solutions; and the solutions themselves must be *normalised*, so that they enter the zone of feasible political decision-making.

We continue to push back against damaging and false counter-narratives. The claim that corporate tax is bad for economic growth, for example, has been comprehensively debunked – but remains a common trope. Similarly, there is no evidence base for the still common claim that tax is a primary driver for the location of foreign direct investment. Both claims also persist with an implicit or explicit claim that economic growth is a condition for human wellbeing – when growth defined in terms of GDP may be almost entirely irrelevant for wellbeing, while representing a direct threat to planetary sustainability.

Tax is one of the strongest tools we have to organise our societies for the common good. And together, we can demand the tax justice that will allow us to achieve these shared aims.

Every day, to that end, we equip people and governments around the world with the information and tools to shift the dominant narratives and implement bold proposals.

We produce a range of well-established and credible reports and indices including the Financial Secrecy Index, our flagship State of Tax Justice Report, and thematic policy reports such as on Beneficial Ownership Transparency. We make submissions to UN Treaty Bodies'

special procedures and other international bodies. We publish widely in academic journals.

Our range of communications outputs such as our monthly podcasts in 5 languages, our in-person and virtual events and webinars, our website and blog and accompanying videos give us a platform to further share our reports and thinking and advocate for change. Every channel also provides the opportunity to raise up the voices and priorities of partners.

Our research ensures the technical robustness and credibility of our analyses and our proposals, and extends our communication reach to academic, professional and policy audiences. It also delivers the leading estimates of tax abuse facilitated and suffered by individual countries, including through the State of Tax Justice reports, which again powers our global communications reach.

Our policy work generates timely and targeted proposals and provides

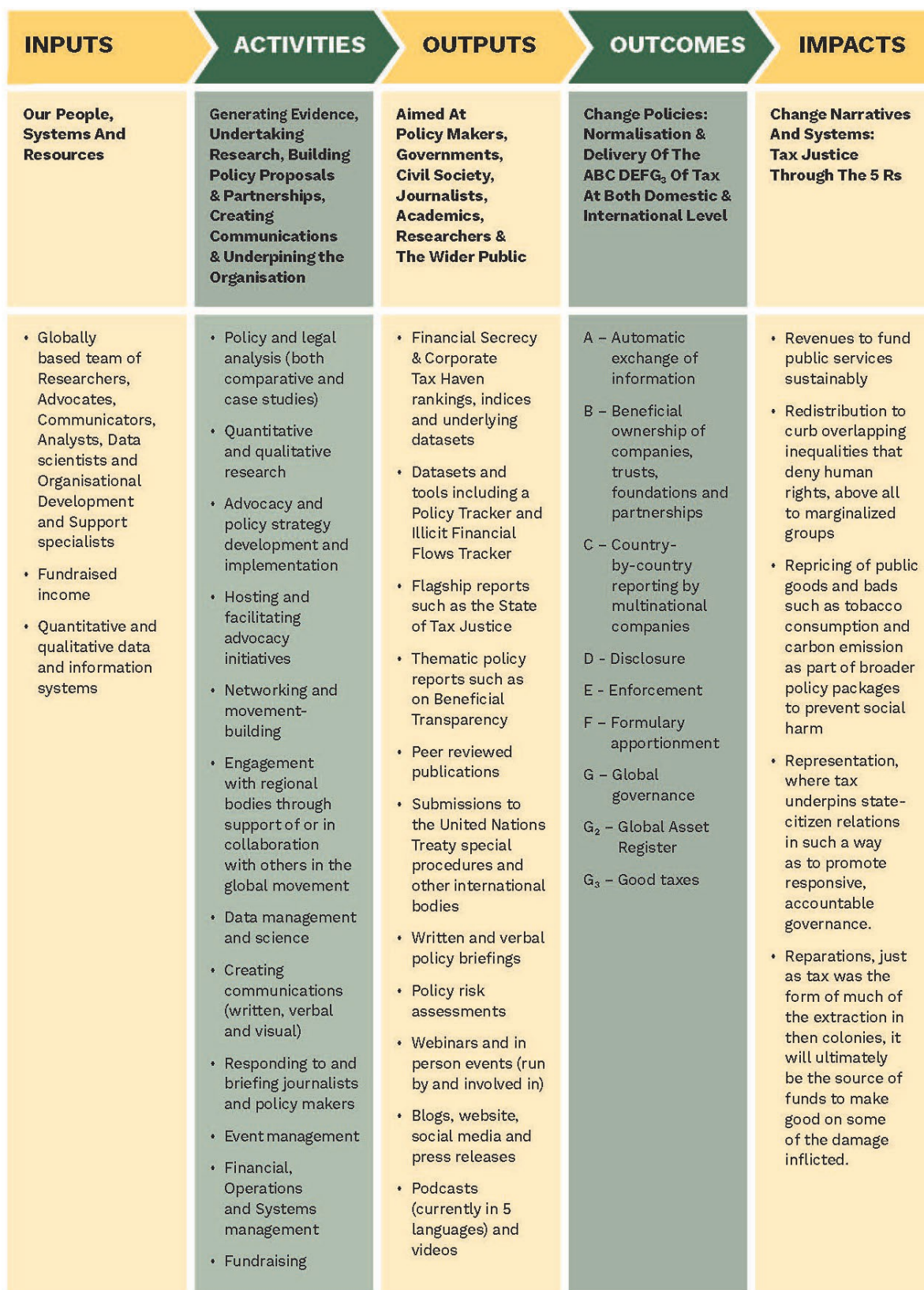
ongoing scrutiny for governments all around the world – which in turn supports high-profile communications work, including through our indices and rankings.

Our advocacy work ensures we are able to engage in and support key regional and international policy processes, including in the UN system, reaching specific audiences and leveraging our policy and research work to greater effect on debates and decisions, and in campaigning alliances.

Our communications work reaches broad, public audiences directly and through global media, and makes our high-quality, credible research and policy work internationally accessible.

Our organisational support and development work ensures the organisation has a strong and effective foundation from which to deliver our mission.

Theory of Change diagram



Flagship indices and tools

Our work in 2023 again reflected the impact that weak global tax policies are having, with countries being on course to lose US\$4.8 trillion in tax to tax havens over the next 10 years. \$311 billion of tax lost annually is lost to cross-border corporate tax abuse by multinational corporations and \$169 billion is lost to offshore tax abuse by wealthy individuals. Lower income countries, which have historically had little to no say on global tax rules, continue to be hit harder by global tax abuse, with their tax losses of \$47 billion being equivalent to half of their public health budgets.

Alongside the State of Tax Justice report, we also announced changes we're working on in respect to the way we publish our Financial Secrecy Index and Corporate Tax Haven Index. The changes involve switching to sequential, rolling updates of partial sets of indicators, instead of large-scale updates of each of the indexes as a whole. This is intended to make the indexes more robust and impactful (while at the same time allowing for a more balanced spread of our workload.)

Importantly, 2023 also saw the launching of two new tools: our Data Portal, and the Tax Justice Policy Tracker.

Our Data Portal provides a convenient way for researchers, journalists, activists and the wider public to explore, download and use data produced by the Tax Justice Network and selected data from other sources. With the data portal, we aim to provide a one-stop-shop for anyone interested in working with

indicators of tax havens and financial secrecy.

The second new tool we launched in 2023 is the Tax Justice Policy Tracker, which monitors and promotes progress on nine key policies that are important for reprogramming our tax systems for the better. The tracker grades each country's laws on how well the country is implementing each of the nine policies, helping governments spot where they can improve. The tracker also reports each country's public position on each of the policies. We kicked off the beta version of the tracker with one live-tracked policy, the UN tax convention, because this is the most critical question facing policymakers internationally today. The next policies will be incorporated gradually in the coming years.

Research

Over the course of 2023 we finalised a study that estimated the potential impact of a wealth tax in EU countries; closely followed and analysed the EU's BEFIT proposal for corporate tax reform; assessed the impact of offshore leaks on bank deposits in tax havens; analysed country by country reporting data on profit shifting in Slovakia; worked on developing a conceptual framework for indicators of tax havens and secrecy jurisdictions and quantifying corporate profit misalignment at the company level; and finalised a study on VAT fraud in collaboration with ECORYS.

Beneficial ownership

We have long advocated for the transparency of beneficial

ownership information. Over the course of 2023 we conducted a review of the state of play of beneficial ownership in Latin America and Africa. We also provided extensive input into the Financial Action Task Force's Recommendation 25 on beneficial ownership transparency for legal arrangements; looked at 30 uses for beneficial ownership beyond money laundering; and discussed the 10 targets every country's beneficial ownership strategy should meet. Not surprisingly, our analysis also showed how the split among EU countries in respect of beneficial ownership mirrored their rankings on the Financial Secrecy Index. Our advocacy efforts were wrapped up with various workshops, training sessions and webinars on beneficial ownership.

Importantly, 2023 also saw the launching of our roadmap to beneficial ownership transparency (REBOT), offering a graduated framework with a series of steps governments can take on the road to achieving transparency.

We have also been actively participating in various fora around the world, from the IMF and World Bank spring meetings; testifying at parliamentary subcommittees; and moderating panels at conferences – all around securing greater transparency in global financial systems. Our contributions in this space continue to contribute to the normalisation also of the proposal for a **global asset register**.

Country by country reporting

This year saw a country by country reporting webinar, focusing on the

legislative process to explain the nature and politics of public country by country reporting by multinational companies in Europe, the United States, the United Kingdom and Australia. Policy changes secured by partners active in each location will begin to yield fruit in new public reporting requirements that kick in during 2024, as the shift to full transparency appears increasingly inevitable – while remaining a major struggle against the defenders of tax opacity.

Disclosure of public data

In 2023 we continued our work towards making data more accessible and transparent.

Our new data portal and policy tracker allow members of the public to explore, download, and use data collected by us, along with variables from various other sources. With the data portal, we aim to provide a one-stop-shop for anyone interested in working with indicators of tax havens and financial secrecy.

Another significant area of data-intensive work was on estimating the scale of illicit financial flows and on identifying the responsible actors. We worked on a research paper that develops a methodology to illicit financial flows using a bilateral gravity model which allows us to disentangle licit and illicit financial flows by including indicators of financial secrecy and tax havenry. financial flows using a bilateral gravity model.

Disclosure and transparency is not just something we expect from others: the Tax Justice Network has been rated as 'highly transparent' in

its funding by Transparify and has been given an A grade for funding transparency by ‘Who Funds You?’.

The disclosures that are most central to tax justice, however, are those from governments and tax authorities: providing the consistent transparency to ensure that they themselves are fully accountable for progress against tax abuse and towards a progressive tax system. We continue to push for greater progress here, including in relation to the reporting of offshore wealth, and the country by country reporting of multinationals.

Enforcement by well-resourced and independent tax authorities

Our illicit financial flows analysis has been finding application on a practical level with work being done to help various government authorities to analyse microeconomic data (at the entity- or transaction-level) to identify illicit financial flows and to effectively design mitigatory policies. In 2023 this included identifying illicit financial flows using customs data; and analysing micro-level data on intra-group transactions of multinationals to identify companies to audit and to estimate the scale of profit shifting. We collaborated with government authorities around the world, including Uganda, Nigeria, Slovakia, Ghana to analyse detailed administrative data and to provide granular policy recommendations for mitigating illicit financial flows.

Formulary apportionment with unitary taxation

2023 was a mixed year for unitary tax. On the one hand, it became

clear to all but the most obstinate that there is little realistic prospect of multilateral ratification of the OECD’s ‘Pillar One’ proposal – which would embed a unitary approach for the first time since the League of Nations dismissed the possibility a century ago. While Pillar One would only affect a small share of the profits of only a handful of large multinationals, the technical basis now established is valuable, and the recognition of the principle important nonetheless. In addition, the growing acceptance of the OECD’s failure has added important momentum to proposals for unilateral adoption of related measures, and to the push to adopt unitary taxation within the process towards a UN tax convention.

Global governance reform for inclusive tax policy at the UN

As set out in the chief executive’s report above, 2023 saw the most tangible progress yet towards the fundamental goal of achieving the first-ever, globally inclusive governance structure for international tax. The adoption by a landslide majority of the Africa Group resolution means that 2024 will see an ad hoc committee including *all* UN member states work together to draft terms of reference for the formal negotiation of a UN framework convention on tax.

Good Taxes – Climate Justice

2023 saw us upping the ante in terms of the link between climate justice and tax justice. We launched the Tax Justice Network’s climate initiative with a position paper on delivering climate justice, using the principles of tax justice. Throughout

the year we explored who owns the climate crisis; the climate crisis in resource-rich Africa; and “cap and share” as a progressive alternative for taxing fossil fuels. We also held an online climate justice event, unpacking how there is no climate justice without economic justice. Tying climate justice to our advocacy work on beneficial ownership, we also explored the link between beneficial ownership and climate crimes in the fishing industry in particular; and lifted the lid on who benefits from opacity in beneficial ownership in the fossil fuel industry.

Human rights

One of our primary objectives has been in articulating the impact that tax injustice has on the ability to secure and fund fundamental human rights. We continued to work on research collaborations with the Government Revenue and Development Estimation tool (GRADE) at St. Andrews University, exploring and illustrating the pervasive impact of tax abuse on rights to health, education and on climate justice.

Over the course of the year our human rights advocacy work also included making a number of submissions to UN special rapporteurs: on the importance of freedom of expression in sustainable development; the effects of foreign debt and human rights in Liechtenstein and the Bahamas; and fiscal legitimacy through human rights. As part of the Tax Ed Alliance – a network of global organisations advocating for transforming financing of public education – we are contributing to the development of a taskforce on tax justice and the right

to education; and have been working on capacity building with the Global Campaign for Education on the UN Tax Convention and the effects on education financing.

Aside from this deeper focus on education, we have also expanded our work into exposing the effects of racism in tax systems and human rights; worked on a short documentary video and brief for the Demotrans EU consortium project on Ireland and Kenya’s lack of incorporation of taxation into their Business and Human Rights Action Plans; presented a webinar with more than 20 grassroots women’s organisations in Brazil; and provided expertise in support of the Global Alliance for Tax Justice Tax & Gender Working Group’s strategy and theory of change for a ‘feminist global, regional and national tax system that resources the full realisation of women’s human rights’.

We also worked with a range of human rights and economic justice partners to deepen analysis of the colonial nature of OECD dominance over international tax rule-setting; and participated in an Expert Group Meeting on the Accountability of Powerful Private Actors in Global Health convened by the UNU-IIGH. The inaugural meeting invited academics working on global public health and a small number of civil society organisations to consider collaborative responses to the threat posed by unaccountable actors in the sphere, including through unchallenged tax abuse.

Reaching people

The Tax Justice Network continued to bring tax justice issues to more people through our media and online

work. Over the course of 2023 our work featured in more than 314 broadcasts, 2,745 online media mentions, and 246 print pieces in over 140 countries. In July alone, when we published the State of Tax Justice report, our research was covered in 602 articles with a reach of over 5 billion. Over 300,400 sessions occurred on the Tax Justice Network website, where we published 119 blogs and our social media posts on Twitter, Facebook

and LinkedIn had a combined reach of over 1,545,958.

Our monthly Taxcast podcasts continue to go from strength to strength. Produced in English, Spanish, Arabic, French and Portuguese, they are available on both the dedicated thetaxcast.com website and on most podcast apps. We have also made them available for any radio station to broadcast.

Financial review

In 2023 our overall income amounted to £1,724,171 (£1,611,935 from grants, £93,905 from other income, £18,331 from donations) which was a 29% decrease on 2022.

A large proportion of our grant income was from Norad, as part of their multi-year support for our 'Taxshift' Project along with Open Society Foundation who awarded us two general fund grants. We received new grants from the African Climate Foundation and The Sunrise Project both to further our work around addressing the climate crisis through tax justice. Our funds come from a variety of sources: foundations, research grants, governments, NGOs and individuals. Grants received are listed below and our other income mostly comprised research consultancy and individual donations.

We received, in 2023, £14,254, in donations from individuals. We are grateful to all of our donors, and in particular to the following individuals, who made generous donations of more than £1,000 in 2023: Andrew Green, Stefan Mathijssen and Urs Stauffer.

We do not employ any dedicated fundraising staff. We estimate that we spend under 1.4% of our total budget on fundraising activities.

Our overall expenditure stood at £2,185,296, a 23% increase on 2022, with staff costs being the most significant cost line at £1,616,430 (74% compared to 73% in 2022). Our staffing levels stayed similar to 2022 and we ended the year with a total employee and contractor base of 32

(34 in 2023) individuals and a 25.6 (25 in 2023) full-time equivalent. Governance and Support costs remained relatively stable as a percentage of overall expenditure (16% in 2018; 14% in 2019; 13% in 2020; 15% in 2021; 13% in 2022 and 15% in 2023).

The closing position of the funds sees £1,411,706 of restricted funding being carried forward for use by the relevant project activity in 2023 and beyond. General unrestricted reserves currently stand at £1,285,590 which represents 7 months of operational running costs. The funds we hold in reserves are in line with our reserves policy.

We are incredibly grateful for all the support and commitment shown by our funders. The funding landscape remains challenging, though with the continued support from our funders and with present confirmed restricted and unrestricted funds we are positive about Tax Justice Network's ability to continue operations and our impactful work.

Full list of current funding as of 31 December 2023

Note: this list includes funding whose performance period includes some or all of the year 2023. “Value” refers to the total value of the funding over the entire agreement period.

Description	Funder	Value	Starts	Ends
Core funding	Open Society Foundations	\$500,000	12/2021	06/2023
Core funding	Open Society Foundations	\$900,000	08/2023	07/2026
Core funding	Open Society Foundations	\$150,000	08/2023	01/2025
Financial Secrecy and Tax Advocacy in Africa (FASTA); in Latin America (FASTLA); and Financial Integrity Advocacy and FACTI Policy Tracker	Norad	NOK 31.3m	03/2017	04/2023
TaxShift	Norad	NOK 30m	01/2023	12/2025
Tracking Illicit Money Flows (TRACE)	European Commission	€751,250	07/2021	06/2024
Civil Society Advancing Beneficial Ownership Transparency	European Commission	€358,000	03/2021	02/2023
TaxEd Alliance - Education Out Loud	Action Aid/Oxfam Ibis	\$64,268	02/2021	12/2023
The Interchange Between Democratic Institutions and the Globalisation of the Economy (DemoTrans)	UKRI – Horizon Europe Guarantee	£98,385	09/2022	08/2026
Tax Justice and Human Rights in International Policy	Wellspring Philanthropic Fund	\$300,000	09/2022	08/2024
Carbon Tax Justice	Laudes Foundation	£209,114	10/2022	07/2024
Fossil fuel financing and banks’ secrecy	The Sunrise Project Australia Limited	€30,000	12/2023	12/2024
Tax motivated transfer mispricing in Uganda	International Growth Centre	£36,225	03/2023	05/2024

Description	Funder	Value	Starts	Ends
Wealth tax study	Greens/EFA Group in the European Parliament	€15,000	03/2023	09/2023
Tanzania and Mozambique briefing	Women's Environment & Development Organisation	\$2,000	03/2023	07/2023
Tax Justice and Climate Justice in Africa	Tax Justice Network Africa/African Climate Foundation	\$14,092	04/2023	09/2023
Tools to combat VAT fraud	Ecorys Nederland N.V.	€24,500	07/2022	09/2023
ICRICT (Global Tax Reform)	Luminate	\$241,667	09/2021	01/2025
ICRICT (Legal Fees)	Luminate	\$10,000	11/2023	10/2024
ICRICT (A Gender-Just and Rights-Based Economy)	Wellspring Philanthropic Fund	\$700,000	01/2022	12/2024
ICRICT (Promote Reform)	Open Society Foundations	\$900,000	02/2023	12/2025
ICRICT (Climate and Social Action)	Laudes Foundation	£217,021	06/2023	01/2025
ICRICT (UN Tax Convention)	Action Aid	\$10,000	12/2023	12/2024
CICTAR (Organisational Support)	Laudes Foundation	€98,534	07/2022	01/2024
CICTAR (Support)	Joffe Charitable Trust	£31,500	11/2022	10/2023
CICTAR (Research Grant)	Alex Ferry Foundation	£7,500	02/2022	02/2023

Organisational strengthening and development

Our people

Tax Justice Network is a remote organisation with our team currently based in 12 countries. We embrace flexible working practices with over two thirds of the team working part time in different hours arrangements and over different time zones.

Though we invest in meeting virtually, both at weekly team meetings and for strategic sessions it was a once again a highlight for the team to be able to meet physically in March 2023, for only the second time in three years.

Our strategy

In 2023 we went through a strategic review process that included input and consultation with our staff team, board, funders, partners and the wider movement. The resulting 'Beyond20' strategy lays out Tax Justice Network's Vision, Mission, Values and Theory of Change bringing further clarity to the outcomes and impact we seek to achieve.

Evaluation

As has been previously mentioned as we came to our 20 year anniversary we embarked on an independent evaluation, led by OnThinkTanks.

To undertake the assessment, they interviewed 24 people related to the Tax Justice Network, 13 internal to the organisation and 11 externals with a close association or past experience working with the Tax Justice Network. They also reviewed and coded 47 documents, which ranged from annual reports to

internal evaluations and research work. Finally, they held a sensemaking workshop that allowed them to validate their findings and test the consistency of the arguments offered.

The study produced is a theory-informed, in-depth revision of the Tax Justice Network's history that aims to identify and depict the pivotal moments for narrative, movement, and policy change within the tax justice movement and determine if and how the Tax Justice Network may have influenced their occurrence.

This was accomplished with a retrospective study that traces the milestone moments of the tax justice movement. Analytical narratives were then produced to trace the process and propose the mechanisms deployed by the Tax Justice Network to influence the realisation of these pivotal moments for the tax justice movement.

The process undertaken has now given us a baseline and format by which to further monitor and evaluate our work.

Fundraising

Through managing a pipeline of fundraising approaches we seek to ensure that we have income that is sufficient to cover our costs for a rolling 2-year period.

We look to have a portfolio of a variety of donor types including bilateral government funds, foundations, trusts and individuals and seek as many long-term commitments as we can for the

stability of the organisation and our team members.

In 2021 we described our desire to seek funding for work to address the climate crisis through tax justice and in addition to the funding secured from the Laudes Foundation in 2022 we were successful in securing new funding from The Sunrise Project and the African Climate Foundation for us to develop our work in this area.

We currently host two organisations, the Independent Commission for the Reform of International Taxation (ICRICT) and the Centre for International Corporate Tax Accountability and Research (CICTAR) though the later has now become an independent entity and will complete its transition from us in early 2024. ICRICT was successful

in securing 2 new sizeable grants from Laudes and Open Society Foundations. It also intends to become independent in 2024.

Diversity, equality and inclusion

We remain committed to developing and strengthening partnerships across a broad and diverse range of organisations that work on inequalities and rights. In 2023 we supported further activities of the Tax and Gender Working Group of the Global Alliance for Tax Justice.

Both our Board and complete staff team are comprised of more than 60% women and are based throughout the globe including Latin America, Africa and Europe.

Governance and accountability

Governing document

The Tax Justice Network is governed by its articles of association, which were updated in 2019 and outline our objects and powers, the nature of our non-profit (and non-charitable) status, including measures to stop our assets being used for profit, and the processes by which decisions are made and by which directors and members of the company are appointed. The directors are appointed by the members; the members are employees and contractors who have served a minimum of 12 months' paid service and have applied for membership of the company.

The directors are responsible for the oversight and governance of the Tax Justice Network, but executive and management action is delegated to the chief executive.

Our articles of association and its agreed organisational strategy and policies form the framework within which the Chief Executive is mandated to manage the organisation's day-to-day operational activities. The Chief Executive is delegated to manage the proper use of the operational, budgetary, property, staffing and other resources of the organisation within this framework.

- The Chief Executive may, for the efficient management and proper operation of the Tax Justice Network, delegate at his or her sole discretion any of the individual responsibilities contained within this scheme of delegation to other employees.

This further delegation of responsibilities does not release the Chief Executive from overall responsibility to the Board. It is expected that many of the decisions relating to responsibilities contained here will be jointly made by the members of the senior management team (SMT), and so this scheme of delegation applies in practice to the whole SMT and not just to the Chief Executive;

- The annual budget is drafted by the Chief Executive and senior management team for submission for board approval at least one month before the start of the new financial year in order to ensure that the Tax Justice Network's objectives and projections remain relevant to current operating conditions;
- The Chief Executive is authorised to commit the organisation to incur expenditure within the approved annual budget plan;
- Staffing changes within the approved budget plan may be made during the year by the Chief Executive;
- Support and development of the Chief Executive is the responsibility of the Chair. With input from the board, the appraisal of the Chief Executive will be undertaken by the Chair annually and reported as appropriate to the board; and
- Subject to agreed policies and procedures, the Chief Executive is responsible for the guidance, support and supervision of staff employed or contracted by the Tax Justice Network. Staff remuneration policy will be approved by the board, but its

detail and application will be the responsibility of the Chief Executive, except that in the case of the Chief Executive's post the board will determine its implementation.

The following decisions are the sole preserve of the board:

- Approving the board scheme of delegation to the chief executive (and to the SMT);
- Approving the Tax Justice Network's annual accounts, report and budget;
- Ensuring that adequate financial reporting and recording arrangements are in place;
- Hiring, managing and dismissing the chief executive;
- Appointing and dismissing the company secretary;
- Approving any expenditure above £10,000 per year;
- Approving the staff remuneration policy;
- Approving any major changes to our legal or management structure;
- Approving any new funders or projects that have been flagged by any member as 'high risk';
- Approving any collaboration with political parties (e.g. helping to develop or endorsing their policies);
- Resolving any disputes between SMT members that cannot be resolved through dialogue; and
- Hearing appeals from staff on decisions made by the SMT that have not been resolved to their satisfaction.

The board meets quarterly.

All members vote on the appointment or re-appointment of

board members (directors) every year, at the annual general meeting.

Our articles of association also provide for up to two directors ('co-opted directors') to be appointed by the other directors, rather than by the members.

Major strategic and tactical decisions relating to our core work are taken jointly by all members, in line with our cooperative ethos (with equal weight given to all views or votes, regardless of seniority, length of tenure or whether members are also directors). Certain key organisational decisions are reserved for the board, as set out above, and most management decisions are made by the SMT, as also set out above. All members are routinely consulted either by the board or by the SMT on major organisational or management decisions (eg new hires or fires) before they are finalised and are informed about day-to-day decisions after they have been made.

All new non-executive directors are inducted by way of a series of one-to-one meetings and discussions with other board members and members of the senior management team.

Staff members are paid and remunerated according to a compensation and benefits policy that also provides for a global baseline level of employment-related benefits.

The Tax Justice Network is not part of a wider formal group of organisations, although it does have strong informal relationships with a large number of organisations that collectively form the global tax justice movement, under the

leadership and coordination of the Global Alliance for Tax Justice. We do not have any subsidiaries.

Funding and financial record keeping

We abide by the UK Fundraising Regulator's Code of Fundraising Practice. We also have policies in place to ensure that funding from individuals cannot influence our positions or policies in any way: for example, we do not accept anonymous donations from organisations or individuals of over £1,000 per year; we publish the names of all donors giving over this amount during the course of the year.

We strive wherever possible to only accept donations by credit or debit card, direct debit, bank transfer or cheque, to allow us to keep records of all donors and to enable due diligence checks to be carried out by the relevant financial institutions. We do not accept donations from organisations holding views that are incompatible with our general ethos.

We do not employ professional fundraisers and do not subscribe to any fundraising standards or schemes; nor have we received any complaints about our fundraising activities.

Sustainability

We operate virtually and across multiple time zones, with no physical offices for staff to travel to. We have

always encouraged the use of virtual conferencing in preference to travelling for meetings wherever practical, and with the global pandemic this has been very much the norm. Not only helping in terms of sustainability but allowing us to participate in more events than would have been possible if presence was only in person. We aim to minimise waste output and recycle as much waste as possible and electronic filing of records take priority over paper filing.

Policies

All staff are required to abide by our code of conduct. We launched a full set of organisational policies in 2019 which was added to in 2020 with a Covid Policy. We comply with all relevant pensions and social security requirements in the countries where we employ staff, including pension auto-enrolment for UK staff.

Risks

Our risk register covers a range of risks and groups them into five high-level categories (governance, strategy, operations, finances and people).

Key risks identified and mitigated by the senior management team include unfavourable changes in the political and/or economic environment in key countries that affect our ability to carry out research and/or advocacy work and/or to change policies and narratives, and the wellbeing of our staff following the global pandemic.

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the

Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The auditors, Godfrey Wilson Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 7 June 2024 and signed on its behalf.

Irene Ovonji-Odida
Chair

Independent auditors' report

To the members of

Tax Justice Network

Opinion

We have audited the financial statements of Tax Justice Network (the 'company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Independent auditors' report

To the members of

Tax Justice Network

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Independent auditors' report

To the members of

Tax Justice Network

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of directors' remuneration specified by law are not made;
- we have not obtained all the information and explanations necessary for the purposes of our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

Tax Justice Network

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the company operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the company's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of director meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statements disclosures and assessed their compliance with applicable laws and regulations.

Independent auditors' report

To the members of

Tax Justice Network

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Independent auditors' report

To the members of

Tax Justice Network

Date: 7 June 2024

Robert Wilson FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Tax Justice Network

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	3	5,150	362,515	367,665	25,767
Charitable activities	4	1,262,600	68,370	1,330,970	2,370,642
Other trading activities	5	-	6,150	6,150	45,377
Investments		1,458	17,928	19,386	3,351
Total income		<u>1,269,208</u>	<u>454,963</u>	<u>1,724,171</u>	<u>2,445,137</u>
Expenditure on:					
Raising funds		-	25,226	25,226	14,886
Charitable activities		1,939,351	220,719	2,160,070	1,761,377
Total expenditure	7	<u>1,939,351</u>	<u>245,945</u>	<u>2,185,296</u>	<u>1,776,263</u>
Net income / (expenditure)		(670,143)	209,018	(461,125)	668,874
Transfers between funds		<u>24,329</u>	<u>(24,329)</u>	<u>-</u>	<u>-</u>
Net movement in funds	8	(645,814)	184,689	(461,125)	668,874
Reconciliation of funds:					
Total funds brought forward		<u>2,057,520</u>	<u>1,100,901</u>	<u>3,158,421</u>	<u>2,489,547</u>
Total funds carried forward		<u><u>1,411,706</u></u>	<u><u>1,285,590</u></u>	<u><u>2,697,296</u></u>	<u><u>3,158,421</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 15 to the accounts.

Tax Justice Network

Balance sheet

As at 31 December 2023

	Note	£	2023 £	2022 £
Fixed assets				
Tangible assets	11		8,771	7,479
Current assets				
Debtors	12	91,888		297,206
Cash at bank and in hand		2,739,330		2,983,511
		2,831,218		3,280,717
Liabilities				
Creditors: amounts falling due within 1 year	13	(142,693)		(129,775)
Net current assets				
			2,688,525	3,150,942
Net assets				
	14		2,697,296	3,158,421
Funds				
Restricted funds	15		1,411,706	2,057,520
Unrestricted funds				
General funds			1,285,590	1,100,901
Total funds				
			2,697,296	3,158,421

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 7 June 2024 and signed on their behalf by

Irene Ovonji-Odida, Director

Tax Justice Network

Statement of cash flows

For the year ended 31 December 2023

	2023	2022
	£	£
Cash used in operating activities:		
Net movement in funds	(461,125)	668,874
Adjustments for:		
Depreciation charges	5,281	3,936
Interest from investments	(19,386)	(3,351)
Decrease / (increase) in debtors	205,318	(116,697)
Increase / (decrease) in creditors	12,918	(9,544)
	<u>(256,994)</u>	<u>543,218</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(6,573)	(4,100)
Interest from investments	19,386	3,351
	<u>12,813</u>	<u>(749)</u>
(Decrease) / increase in cash and cash equivalents in the year	(244,181)	542,469
Cash and cash equivalents at the beginning of the year	<u>2,983,511</u>	<u>2,441,042</u>
Cash and cash equivalents at the end of the year	<u>2,739,330</u>	<u>2,983,511</u>

The company has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Although the company does not have charitable registration, the directors have adopted the Charities SORP in preparation of these accounts as they consider this standard to better reflect the company's activities as a not-for-profit entity. The company has therefore presented a statement of financial activities (incorporating an income and expenditure account) instead of a profit and loss account.

The company uses the term "charitable activities" throughout these accounts to refer to the activities undertaken by the company as a not-for-profit entity in furtherance of its objects. Income and expenditure categorised within "charitable activities" may, from time to time, include activities which, whilst not charitable in nature, are in furtherance of the company's objects.

Tax Justice Network meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the company is able to continue as a going concern, which the directors consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the company's ability to continue as a going concern.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

c) Income

Income is recognised when the company has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of consultancy work is deferred until criteria for income recognition are met.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company: this is normally upon notification of the interest paid or payable by the bank.

e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the company. Designated funds are unrestricted funds of the company which the directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the company's work or for specific projects being undertaken by the company.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the company but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the company, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the company's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the basis of allocated staff costs, as follows:

	2023	2022
Raising funds	1.4%	1.1%
Charitable activities	98.6%	98.9%

h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer and office equipment	3 years
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Items of IT and communications equipment, and home office furniture over £300 are capitalised where they are deemed to have an expected useful life of 3 years.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

l) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

m) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1h to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2022
	£	£	Total
			£
Income from:			
Donations and legacies	5,605	20,162	25,767
Charitable activities	2,136,003	234,639	2,370,642
Other trading activities	11,731	33,646	45,377
Investments	197	3,154	3,351
	<hr/>	<hr/>	<hr/>
Total income	2,153,536	291,601	2,445,137
	<hr/>	<hr/>	<hr/>
Expenditure on:			
Raising funds	-	14,886	14,886
Charitable activities	1,479,582	281,795	1,761,377
	<hr/>	<hr/>	<hr/>
Total expenditure	1,479,582	296,681	1,776,263
	<hr/>	<hr/>	<hr/>
Net income / (expenditure)	673,954	(5,080)	668,874
Transfers between funds	46,615	(46,615)	-
	<hr/>	<hr/>	<hr/>
Net movement in funds	720,569	(51,695)	668,874
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

3. Income from donations and legacies

	Restricted £	Unrestricted £	2023 Total £
Donations	5,150	13,181	18,331
<i>Unrestricted grants</i> OSF	-	349,334	349,334
Total income from donations and legacies	5,150	362,515	367,665

Prior period comparative

	Restricted £	Unrestricted £	2022 Total £
Donations	5,605	20,162	25,767

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

4. Income from charitable activities

	Restricted £	Unrestricted £	2023 Total £
Norad	452,314	-	452,314
TRACE	64,487	-	64,487
DemoTrans	25,481	-	25,481
Wellspring Philanthropic Fund	117,806	-	117,806
ACF	11,599	-	11,599
Sunrise	25,788	-	25,788
ICRICT	468,294	-	468,294
CICTAR	96,831	-	96,831
Ecorys	-	20,926	20,926
IGC Uganda	-	18,113	18,113
Greens	-	13,007	13,007
DG FISMA – CSABOT	-	14,678	14,678
Other < £2k	-	1,646	1,646
Total income from charitable activities	1,262,600	68,370	1,330,970

Prior period comparative:

	Restricted £	Unrestricted £	2022 Total £
Norad	992,652	-	992,652
Financial Transparency Coalition	27,885	-	27,885
DemoTrans	5,542	-	5,542
Wellspring Philanthropic Fund	135,179	-	135,179
Laudes Foundation	139,114	-	139,114
FCDO - CIEP	105,853	-	105,853
Education Out Loud	33,368	-	33,368
GIZ - Balkans	-	(357)	(357)
GIZ - New Framework	(7,012)	-	(7,012)
ICRICT	598,935	-	598,935
CICTAR	104,487	-	104,487
DG FISMA – CSABOT	-	234,996	234,996
Total income from charitable activities	2,136,003	234,639	2,370,642

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

5. Income from other trading activities

	Restricted £	Unrestricted £	2023 Total £
Consultancy	-	150	150
Licencing fees	-	6,000	6,000
Total income from other trading activities	-	6,150	6,150
Prior period comparative			
	Restricted £	Unrestricted £	2022 Total £
Consultancy	11,731	3,646	15,377
Licencing fees	-	30,000	30,000
Total income from other trading activities	11,731	33,646	45,377

6. Government grants

The company receives government grants, defined as funding from the Norwegian Agency for Development Cooperation and from the Foreign, Commonwealth & Development Office to fund charitable activities. The total value of such grants in the period ending 31 December 2023 was £452,314 (2022: £1,098,505). There are no unfulfilled conditions or contingencies attaching to these grants in 2023.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

7. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 9)	20,377	1,397,016	199,037	1,616,430
Research and advocacy	-	44,621	15,780	60,401
Events	-	12,259	-	12,259
Media outputs	-	186,612	-	186,612
ICRICT direct costs	-	99,371	-	99,371
CICTAR direct costs	-	77,342	-	77,342
Audit and accountancy	-	-	24,198	24,198
Bank charges	-	-	3,838	3,838
Depreciation	-	-	5,281	5,281
Insurance	-	-	2,059	2,059
Website and digital marketing	-	-	10,693	10,693
Legal and professional	-	-	1,174	1,174
Light, power and heating	-	-	3,169	3,169
Staff conferences	-	-	23,076	23,076
Professional development and HR	-	-	759	759
Office costs	-	-	16,676	16,676
Subscriptions	-	10,386	11,473	21,859
Loss on foreign exchange	-	-	20,099	20,099
Sub-total	20,377	1,827,607	337,312	2,185,296
Allocation of support and governance costs	4,849	332,463	(337,312)	-
Total expenditure	25,226	2,160,070	-	2,185,296

Total governance costs were £42,384.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

7. Total expenditure (continued) - prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 9)	12,303	1,124,567	163,138	1,300,008
Research and advocacy	-	96,565	750	97,315
Events	-	47,851	-	47,851
Media outputs	-	89,976	-	89,976
ICRICT direct costs	-	78,086	-	78,086
CICTAR direct costs	-	78,198	-	78,198
Audit and accountancy	-	-	20,170	20,170
Bank charges	-	-	7,813	7,813
Depreciation	-	-	3,936	3,936
Insurance	-	-	1,784	1,784
Website and digital marketing	-	-	11,967	11,967
Legal and professional	-	-	2,718	2,718
Light, power and heating	-	-	1,963	1,963
Staff conferences	-	-	25,631	25,631
Professional development and HR	-	-	4,784	4,784
Office costs	-	-	19,706	19,706
Subscriptions	-	9,993	10,676	20,669
Gain on foreign exchange	-	-	(36,312)	(36,312)
Sub-total	12,303	1,525,236	238,724	1,776,263
Allocation of support and governance costs	2,583	236,141	(238,724)	-
Total expenditure	14,886	1,761,377	-	1,776,263

Total governance costs were £36,302.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

8. Net movement in funds

This is stated after charging:

	2023	2022
	£	£
Depreciation	5,281	3,936
Directors' remuneration	381,515	319,069
Directors' reimbursed expenses	5,613	8,284
Auditors' remuneration (excluding VAT):		
• Statutory audit	9,000	8,600
• Other services (restricted project audits):	2,250	2,150
	5,281	3,936

Directors' reimbursed expenses comprise amounts paid to four directors relating to travel and home office expenses (2022: six directors).

9. Staff costs and numbers

Staff costs were as follows:

	2023	2022
	Total	Total
	£	£
Salaries and wages	944,563	746,882
Social security costs	164,529	120,527
Pension costs	64,549	68,415
Freelance staff	442,789	364,184
	1,616,430	1,300,008

Employees earning more than £60,000 during the year:

	2023	2022
	No.	No.
Between £60,000 and £70,000	1	2
Between £70,000 and £80,000	1	-

The key management personnel of the company comprise the Directors, five of whom are employed as Chief Executive; Director, Advocacy & Research; Director, Policy; and Director, Organisational Support and Development. The total employee benefits of the key management personnel were £381,515 (2022: £319,069).

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

9. Staff costs and numbers (continued)

Included in salaries and wages are redundancy and termination costs totalling £2,619. Redundancy and termination costs have been funded from unrestricted general funds (note 15).

	2023	2022
	No.	No.
Average head count	22.08	19.67

10. Taxation

	2023	2022
	£	£
UK corporation tax at current rate based on results for the period	-	-
Factors affecting current tax charge:		
(Loss) / Profit on ordinary activities by rate of tax	(87,101)	127,086
Deduct loss / (surplus) on non-taxable income	87,101	(127,086)
Total current tax charge	-	-

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Notes to the financial statements

For the year ended 31 December 2023

11. Tangible fixed assets

	Computer and office equipment Total £
Cost	
At 1 January 2023	29,369
Additions in year	6,573
Disposals in year	(2,352)
	<hr/>
At 31 December 2023	33,590
Depreciation	
At 1 January 2023	21,890
Charge for the year	5,281
On disposals	(2,352)
	<hr/>
At 31 December 2023	24,819
Net book value At 31 December 2023	<hr/> 8,771 <hr/>
At 31 December 2022	<hr/> 7,479 <hr/>

12. Debtors

	2023	2022
	£	£
Trade debtors	14,605	250
Prepayments	15,034	15,060
Accrued income	60,235	279,345
Employee loan	2,014	2,551
	<hr/>	<hr/>
	91,888	297,206
	<hr/> <hr/>	<hr/> <hr/>

In the prior year the employee loan was included within trade debtors. This has been reclassified to be comparable to the current year.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

13. Creditors : amounts due within 1 year

	2023	2022
	£	£
Trade creditors	9,597	24,208
Taxation and social security	29,943	29,974
Accruals	103,153	75,593
	142,693	129,775

14. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	-	8,771	8,771
Current assets	1,448,053	1,383,165	2,831,218
Current liabilities	(36,347)	(106,346)	(142,693)
Net assets at 31 December 2023	1,411,706	1,285,590	2,697,296
Prior period comparative			
	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	-	7,479	7,479
Current assets	2,057,520	1,223,197	3,280,717
Current liabilities	-	(129,775)	(129,775)
Net assets at 31 December 2022	2,057,520	1,100,901	3,158,421

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

15. Movements in funds

	At 1 January 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2023 £
Restricted funds					
Norad	665,138	453,772	(961,762)	141,964	299,112
Financial Transparency					
Coalition	1,673	-	(1,673)	-	-
EU - TRACE	259,953	64,487	(197,701)	-	126,739
DemoTrans	-	25,481	(26,965)	-	(1,484)
Wellspring	134,114	117,806	(127,531)	-	124,389
Laudes	139,114	5,150	(100,282)	-	43,982
Arnold Ventures	166,957	-	(49,322)	(117,635)	-
Education Out Loud	17,217	-	(15,106)	-	2,111
African Climate					
Foundation	-	11,599	(11,599)	-	-
Sunrise	-	25,788	-	-	25,788
Tax Justice Italy	686	-	-	-	686
Hosted					
CICTAR	20,700	96,831	(124,576)	-	(7,045)
ICRICT	651,968	468,294	(322,834)	-	797,428
Total restricted funds	2,057,520	1,269,208	(1,939,351)	24,329	1,411,706
Unrestricted funds					
General funds	1,100,901	454,963	(245,945)	(24,329)	1,285,590
Total unrestricted funds	1,100,901	454,963	(245,945)	(24,329)	1,285,590
Total funds	3,158,421	1,724,171	(2,185,296)	-	2,697,296

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

15. Movements in funds (continued)

Purposes of restricted funds

Norad	“Financial Secrecy and Tax Advocacy in Africa” (FASTA) project, “Financial Secrecy and Tax Advocacy in Latin America” (FASTLA) project, “Financial Integrity Advocacy and FACTI Policy Tracker” extension project and “Tax Shift” project.
Financial Transparency Coalition	2022 work plans focusing on beneficial ownership, asset registries and tax justice and human rights.
EU - TRACE	European Commission: “Tracking illicit money flows” project.
DemoTrans	“The Interchange Between Democratic Institutions and the Globalisation of the Economy” European Commission consortium project, participation in which is funded by UKRI under the Horizon Europe Guarantee programme.
Wellspring	“Tax justice and human rights in international policy” project.
Laudes	“Carbon tax justice” project.
Arnold Ventures	Evaluate and identify the scale of tax haven use by United States companies, and the risks posed by financial secrecy in the United States.
Education Out Loud	The TaxEd Alliance “Education Out Loud” project.
African Climate Foundation	For a project, undertaken with Tax Justice Network Africa, to lay the foundations for ongoing efforts to bring tax justice into the heart of the climate justice movement and corresponding public discourse across Africa. An expert roundtable was convened to debate the key issues and deliver insights that fed into a short concept paper framing climate and tax justice in Africa. This paper, and other research outputs in the project, have been published and shared at events to validate and discuss the findings of the research.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

15. Movements in funds (continued)

Sunrise	To shed light on how banks use financial secrecy jurisdictions to channel finance to fossil fuel companies, investigate reasons and implications of these flows of money, and mobilize new evidence and arguments in favour of financial transparency measures.
GIZ - New Framework	“Combatting Illicit Financial Flows (Global)” project.
Tax Justice Italy	Tax Justice Network acted as fiscal hosts for funding received to support the set up of a tax justice organisation in Italy.
ICRICT	Independent Commission for the Reform of International Corporate Taxation: Tax Justice Network act as fiscal hosts for the Commission.
CICTAR	Centre for International Corporate Tax Accountability and Research: Tax Justice Network act as fiscal hosts in the UK.

Purposes of transfers between funds

Transfers between funds relate to underspends on restricted projects which funders have allowed to be used towards unrestricted charitable activity.

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

15. Movements in funds (continued)

Prior period comparative

	At 1 January 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2022 £
Restricted funds					
Norad Financial Transparency	297,241	992,848	(691,069)	66,118	665,138
Coalition	20,225	27,885	(46,437)	-	1,673
EU - TRACE	433,881	-	(173,928)	-	259,953
DemoTrans	-	5,542	(5,542)	-	-
Wellspring	-	135,179	(1,065)	-	134,114
Laudes	-	139,114	-	-	139,114
Arnold Ventures	298,525	-	(131,568)	-	166,957
FCDO - CIEP	-	105,853	(105,853)	-	-
Education Out Loud	25	33,368	(16,176)	-	17,217
GIZ - New Framework	7,191	(7,012)	(179)	-	-
Tax Justice Italy	686	-	-	-	686
Hosted					
CICTAR	36,718	116,218	(126,425)	(5,811)	20,700
ICRICT	242,459	604,541	(181,340)	(13,692)	651,968
Total restricted funds	1,336,951	2,153,536	(1,479,582)	46,615	2,057,520
Unrestricted funds					
<i>Designated funds:</i>					
Open Society Foundations core grant	370,359	-	-	(370,359)	-
<i>Total designated funds</i>	<i>370,359</i>	<i>-</i>	<i>-</i>	<i>(370,359)</i>	<i>-</i>
General funds	782,237	291,601	(296,681)	323,744	1,100,901
Total unrestricted funds	1,152,596	291,601	(296,681)	(46,615)	1,100,901
Total funds	2,489,547	2,445,137	(1,776,263)	-	3,158,421

Tax Justice Network

Notes to the financial statements

For the year ended 31 December 2023

16. Related party transactions

During the prior year, one donation of £70 was made to the company by directors. No donations were made in the current year. There were no other related party transactions in the year.