Lamplight Database Systems Limited

Fair Tax Mark Statement (February 2024)

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

Our Tax Policy

Lamplight 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. Lamplight 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 Company Information

Lamplight is a private company limited by shares, originally established in 2004, with the principal activity of helping charities manage their data. Lamplight provides an efficient and cost-effective database system that supports the day-to-day work for charities – and which makes their reporting quick, straightforward and organised.

Lamplight is owned and controlled by its directors: Matthew Parker and Sarah Parker – who each own 50% of the issued share capital.

The registered office address of Lamplight is PO Box 79236, Lamplight Hq, 46 Oldfield Road, London, England, NW26 9RG – which is also our postal and contact address. Lamplight does not have a fixed trading address and operates with a remote workforce.

Our Tax Disclosures

Lamplight's average profit before tax over the last three years ended 31 March 2021 to 2023 was £18,347. The expected tax charge on these profits at the headline rate of 19% would be £3,486. The actual average current tax charge over the same period was £3,205 (17.5%) and the reason for this being less than expected is explained below in the following tax reconciliation and accompanying footnotes:

	£
Average profit before tax	18,347
Average expected corporation tax (19.0%)	**3,486**
[1] Accelerated capital allowances	(201)
[2] Super-deduction capital allowances	(80)
Actual average current tax charge (17.5%)	**3,205**

As at 31 March 2023, Lamplight had a deferred tax liability of £1,416 on its Statement of Financial Position, after crediting £381 to the Statement of Income and Retained Earnings.

Lamplight's deferred tax liability is attributable to temporary timing differences between the net book value of qualifying tangible assets in the accounts and their equivalent tax written down values (see footnote 1). The provision for these temporary timing differences will unfold in annual instalments over the useful economic lives of the assets to which it relates.

Other Disclosures

During the year to 31 March 2023, directors' remuneration amounted to £37,993.

[1] **Accelerated capital allowances** – The accounting treatment of capital assets is usually different than the tax treatment allowable. This is because, in the accounts, an asset is depreciated over its useful economic life. Whereas capital allowances are set rules in tax law applied to the type of asset. The differences, however, between the depreciation rate in the accounts and capital allowances claimed in the corporation tax return – are only timing differences – as eventually, the accumulated depreciation and capital allowances claimed will equal one another.

[2] **Super-deduction capital allowances** – From 1 April 2021 until 31 March 2023, UK companies investing in qualifying new plant and machinery assets are able to claim a 130% super-deduction capital allowance on qualifying plant assets and a 50% first-year allowance for qualifying special rate assets. For qualifying new plant and machinery assets, the top 30% slice of the super-deduction allowance (i.e., the portion which exceeds the actual purchase cost of the qualifying asset) creates a permanent timing difference which will not be resolved by accumulated depreciation and capital allowances claimed equalling one another over the asset's life (as explained in footnote 1). The tax saving which arises as a result of the 30% permanent timing difference is therefore presented separately in the numerical tax reconciliation.