Lamplight Database Systems Limited

Fair Tax Mark Statement (February 2025)

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.

Our head office address is Lamplight HQ PO Box 79236 London 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

The average profit before tax over the last three accounting periods ending on 31 March 2024 was £23,847. The expected tax charge on these average profits would be £4,530 (19.0%). However, our actual average current tax charge over this period was £5,628 (23.60%); and the reason for this being more than what would be expected, is explained below in the following current tax reconciliation with accompanying footnotes:

	£
Average profit before tax	23,847
Average expected corporation tax (19.0%)	**4,530**
[1] Depreciation in excess of capital allowances	18
[2] Super-deduction capital allowances	(80)
[3] Change in rate of tax	1,160
Actual average current tax charge (23.6%)	**5,628**

Other Disclosures

During the year to 31 March 2024, directors' remuneration amounted to £42,149.

[1] **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 economic lives. For tax, there are specific rules on what can be claimed and when. These differences create a tax adjustment, which is only a timing difference, and we have accounted for these timing differences in our accounts (deferred tax). As at 31 March 2024, the Company had a deferred tax liability of £1,346 (2023: £1,416) in relation to these fixed asset timing differences; and these should unwind in annual instalments over the useful economic lives of the assets that they relate to. As this is only a timing difference, the total depreciation charged in the accounts will eventually match the total capital allowances claimed in the tax returns.

[2] **Super-deduction capital allowances** – From 1 April 2021 to 31 March 2023, UK companies investing in qualifying new plant and machinery assets can claim a 130% super-deduction capital allowance. This extra 30% allowance creates a permanent difference above the asset's actual cost, which won't be resolved by depreciation and capital allowances equalling each other over the asset's life. As this 30% tax saving is a permanent difference, not a timing difference, it has been presented separately.

[3] **Change in rate of tax** – From 1 April 2023, the main tax rate for companies in the UK with taxable profits over £250,000 increased from 19% to 25%. The small profits tax rate for companies with taxable profits below £50,000 stayed at 19%. For companies with taxable profits between these limits, the main tax rate is applied, but marginal relief is provided to gradually increase the Corporation Tax rate between the small profits rate and the main rate. Even though our average profits are below £50,000, in 2024, our taxable profits were above this amount, meaning our effective tax rate for this period was higher than 19%.