Fair Tax Mark Statement for Jerba Campervans Ltd (October 2024)

This statement of Fair Tax compliance was compiled in partnership with the Fair Tax Foundation ("FTF") and certifies that Jerba Campervans Ltd ("the Company") meets the standards and requirements of the FTF's Solely UK-based Business Standard for the Fair Tax Mark certification.

Tax Policy

The Company 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. The Company 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.

Company Information

The Company is a private company, limited by shares, and these shares are held in a fiduciary capacity by Jerba Campervans Trustees Limited – a trust company that is the sole corporate trustee of the Company's Employee Ownership Trust ("EOT"). The EOT is for the sole benefit of the current and future employees of the Company.

Tax Information

Profit before tax for the year ended 31 December 2023 was £133,487. The notional tax charge on these accounting profits would be £31,396 (23.52%). The actual current tax charge for the year was £22,122 (16.6%) and the reasons why this is lower is explained below in the following current tax reconciliation with accompanying footnotes:

	31-Dec-23
	£
Turnover	**2,330,684**
Cost of sales	(1,596,988)
Gross profit	733,696
Other operating income	5,250
Administrative expenses	(605,459)
Profit before tax	**133,487**
Notional tax charge at 23.52%	31,396
1. Income not taxable for tax purposes	(1,235)
2. Depreciation in excess of Capital allowances	625
3. Super-deduction capital allowances	(281)
4. Marginal rate relief	(1,674)
5. Patent box deduction	(6,383)
6. Trading loss utilised	(326)
Actual current tax charge (16.6%)	**22,122**
Movements in deferred tax	4,260
Total tax charge	26,382

As at 31 December 2023, the Company had a deferred tax liability of £11,820 on its Balance Sheet, after charging £4,260 to its Income Statement.

This deferred tax liability is in relation to fixed asset temporary timing differences between the net book value of qualifying tangible assets in the accounts and their equivalent tax written down values (see footnote 2). The provision will unfold in annual instalments over the useful economic lives of the assets that it relates to.

For the year ended 31 December 2023, directors' emoluments amounted to £84,335.

1. This relates to a release of grant income to the Company's Income Statement, which has previously already been received and taxed; therefore, it has been added back when calculating the Company's tax liability for 2023.
2. The accounting treatment of fixed assets differs from the tax treatment. For accounting purposes, fixed assets are depreciated over their useful economic lives. For tax purposes, there are specific rules to what can, or should, be claimed. The differences between these treatments create a tax adjustment. For the current year, the tax treatment of our fixed assets was less favourable than how we accounted for them.
3. From 1 April 2021 until 31 March 2023, UK companies investing in qualifying new plant and machinery assets could claim a 130% super-deduction capital allowance. This extra 30% capital allowance creates a permanent difference above the actual cost of the asset, which will not be resolved by accumulated depreciation and capital allowances claimed equalling one another over the asset's life (as explained in footnote 2). This extra 30% tax saving, which is a permanent difference and not a timing difference, has therefore been presented separately.
4. From 1 April 2023, the main headline rate of tax for companies with taxable profits exceeding £250,000 increased from 19% to 25%. The small profits tax rate for companies with taxable profits below £50,000 remained at 19%. For companies that have taxable profits that fall between these two limits, the increased main rate of tax is charged, but then a marginal relief is applied as a way to provide a gradual increase in Corporation Tax rate between the small profits rate and the main rate.
5. The Patent Box is a tax relief designed to encourage companies to retain and commercialise intellectual property (IP) in the UK. It allows companies to apply a lower rate of Corporation Tax to profits earned from its patented (and similarly protected) inventions.
6. Tax losses from earlier periods can be carried forward and relieved against future profits, so that the correct amount of tax is applied to the overall historic profits generated, and not just for that period. Once the tax losses have all been used, tax will then become chargeable on the profits generated thereafter. For the year, we utilised our brought forward tax losses in full and have no tax losses to carry forwards against any future profits.