



B Lab Statement on Lodestar Accounting Limited B Corp Certification

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for companies providing tax advisory services:

"Companies in the tax advisory industry are eligible for B Corp Certification if they are able to confirm that their tax philosophy, used to provide services and recommendations to clients, aligns with the company specific principles listed in B Lab's framework, specifically, 1) the tax advice provided appropriately reflects the actual amount of income generated by the client over time; and, 2) the tax advice provided to a client for a jurisdiction appropriately reflects the actual operations of the client in that jurisdiction."

Lodestar Accounting Limited is required to disclose a summary of how it complies with the above requirements as a part of its B Corp Certification. For more information on the review process, please refer to B Lab's position statement on Companies that Provide Tax Advisory Services and B Corp Certification [here](#).

Summary of Company

Lodestar Accounting Limited is a UK-Based firm offering cloud-based financial services, including bookkeeping, VAT returns, payroll management, management of accounts, cashflow forecasting, remuneration planning, and personal and corporate tax planning. Tax advisory services contribute less than 5% of the overall company's annual revenue. In terms of fees, Lodestar charges a fixed rate with any advice work, and a percentage of tax savings when doing Research & Development claims work. Lodestar Accounting Limited clients include small and medium-sized business, and overseas subsidiaries of UK business.

Lodestar Accounting Limited Policies and Practices

In alignment with the requirements and principles stated in B Lab's position statement for companies that provide tax advisory services, Lodestar Accounting Limited has a philosophy statement for the tax advice that they provide to their clients and their own engagement with governments and tax regulators, which has been shared with all their employees. The philosophy statement reads as follows:

"Lodestar Accounting Limited is proud of our status as a Certified B Corp. As part of that commitment and in recognition of the role that taxes play in contributing to a healthy society, we use our professional judgment to provide advice regarding tax positions with multiple potential interpretations that accurately reflects the income and operations of the client in each jurisdiction for which the client seeks our advice based on the details of the client's income and operations provided to us, and do not advise clients to take a position unless we believe it has



at least a reasonable basis for being sustained by applicable tax authorities. If a client takes a tax position despite our advice to the contrary, we reserve the right to stop work for and terminate such client. In accordance with this tax philosophy, we engage with government and tax authorities on a collaborative basis and limit our advocacy activities with such authorities to work for specific clients in need of regulatory compliance assistance and providing financial support to ICAEW, ACCA and CIOT which advocates for the interests of the accounting industry as a whole (which may sometimes include limited tax advocacy). We maintain compliance with this policy through regular training of our employees and partners, internal policies on conduct, engagement documentation with our clients, and client retention reviews.”

Lodestar Accounting Limited is regulated by the [Institute of Chartered Accountants in England and Wales \(ICAEW\)](#), adhering to its code of conduct and of the [Chartered Institute of Taxation \(CIOT\)](#). Complying with all of the applicable professional standards. The company carries out regular training with all team members around ethical behaviours and the ICAEW code of conduct and encourages the team to highlight and discuss any areas of concern, spot aggressive avoidance tax strategies and take actions to mitigate the risk. Anti-money laundering (AML) checks are carried out annually on all clients.

Professionals providing advice keep up to date through regular training, with changes in tax legislation to ensure that they can spot aggressive avoidance strategies and take the necessary steps to mitigate the risk to Lodestar Accounting Limited and its clients.

Lodestar Accounting Limited has less than 1% of its services in low tax jurisdictions and is mainly focused on tax compliance rather than advisory work. The company does not provide advice on low-tax jurisdictions. However, it does offer guidance on the UK tax implications for non-resident individuals.

The company does not have a specific policy in place to address potential conflicts of interest between its various teams or in the hiring of new employees. The company, however, complies with the ICAEW code of ethics, which highlights principles of the profession, general guidance on how to identify potential conflicts, how to mitigate these threats, and disclose the nature of the conflict of interest.

Lodestar Accounting Limited actively does not associate with promoters of avoidance schemes and discourages any of its clients from any involvement. The company reserves the right to stop working with a client who was part of such a scheme. Furthermore, the company reviews individuals and entities flagged as high risk, including but not limited to residents in countries listed by [Financial Action Task Force](#); is currently part of or has participated in a tax avoidance scheme which has a DOTAS registration number or has been spotlighted by [His Majesty's Revenue and Customs \(HMRC\)](#) as having the features of tax avoidance; the business relationship is conducted in unusual circumstances, and reserves the right not to work with



these clients. The employees are trained to spot suspicious activity and report it to the Money Laundering Reporting Officer (MLRO). Lodestar Accounting Limited follows the advice provided by the [National Crime Agency \(NCA\)](#) and would not hesitate to resign from an appointment where the company's values are not aligned with the clients with the activities being carried on.

The company is not involved in any lobbying for reforming or developing tax legislation. And does not publicly declare its advocacy position. In addition, following ICAEW regulations, and guidance issued by the [office of the registrar of consultants lobbyists](#), A member or member firm who communicates with UK government officials on behalf of clients (or others) may be deemed to be a consultant lobbyist and need to register as such.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the [certification process](#), or
2. Breach of the core values articulated in our [Declaration of Interdependence](#) within the B Corp Community.