



Dan Neidle @DanNeidle

Nadhim Zahawi founded YouGov, but took no shares in it. A Gibraltar company, Balshore Investments, did instead. Zahawi says this wasn't tax avoidance, but was his father injecting capital into the business.

Here's my hunt for evidence. A very lengthy thread:

11:35 AM · Jul 13, 2022 · Twitter Web App

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4,785 Retweets 439 Quote Tweets 12.8K Likes



Tweet your reply

Reply



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Replying to @DanNeidle

I'll start with my conclusion. Only three possibilities:

1. I am missing something.
2. Balshore did provide capital, but this was omitted from all of YouGov's accounts and filings, and not even picked up during the IPO.
3. Zahawi is lying, and this was tax avoidance.

28 542 1,985



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Here's the first YouGov share issuance from 2000

Neil Copp provided £287,500 of capital & got 15% of the shares

Balshore provided no capital and got 42.5%

The same deal as Stephan Shakespeare - one of the founders

Zahawi, the other founder, got nothing.

Why?

Form: Return to Section 88(1) of the Companies Act 2006 (the Act)

REVISED 1988: This form replaces forms PUC2, PUC3 and 88(2)

Company name: **YOUGov . DOT COM LIMITED**

Company number: **03667311**

1. Name of company: **YOUGov . DOT COM LIMITED**

2. This section must be completed for all allotments

2.1 Description of shares: **ORDINARY COMMON SHARE**

2.2 Number allotted: **281,500**

2.3 Nominal value of each: **1.00 £**

2.4 Total amount paid in full and payable on each share including premium if any: **281,500**

2.5 Details on which the shares were allotted: **BY THE DIRECTOR**

2.6 Date of allotment: **15/07/2000**

2.7 Name and address of the allottee and the number of shares allotted to each allottee: **NEIL COPP, 175,000; HOLLIS HOUSE, CANTON ROAD, NEWCASTLE, ENGLAND, NE6 3JG; STEPHAN SHAKESPEARE, 281,500; 5000 GILBERT HOUSE, BUNSLIM, ENGLAND, EGY, B&D**

3. If the allotment is subject to any of the following conditions, the following must be given: **None**

3.1 Details of any special dividend to be treated as paid: **None**

3.2 Consideration for which the shares were allotted: **THE SHARES WERE ALLOTTED TO THE SUBSCRIBERS AGREED TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY AS AT THE DATE OF ALLOTMENT**

Notes: 1. This form should be delivered to the Registrar of Companies within one month of the date of allotment. 2. If the allotment is wholly or partly other than for cash, the company must deliver to the Registrar a return containing the information at D & E. The company may deliver this return by completing D & E and the delivery of the information must be accompanied by the duly stamped contract made by section 88(1) of the Act or by the duly stamped prescribed particulars required by section 88(2) of the Act. 3. Details of securities should be of use only in section 2.

Director's name, address, position, contact and telephone: **STEPHAN SHAKESPEARE**

Company registered in England and Wales or Wales should deliver this form to: **The Registrar of Companies, Companies House**

Company registered in Scotland should deliver this form to: **The Registrar of Companies, Companies House**

When the specific form on this form is inadequate, continuation sheets should be used and the number at sheet attached should be indicated if the list applies: **SECRETARY**



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But perhaps the form is wrong and Balshore did provide capital. Let's look at the accounts.

Here's the balance sheet from two months after that share issuance.

No sign of any equity capital other than Copp's.

**YOUGOV DOT COM LIMITED**  
**BALANCE SHEET**  
**31 JULY 2000**

	Notes	31/7/00		31/7/99	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Intangible assets	4		164,753		-
<b>CURRENT ASSETS:</b>					
Debtors	5	67,735		-	
Cash at bank and in hand		<u>56,861</u>			
			124,596		-
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>150,079</u>		<u>2</u>	
<b>NET CURRENT LIABILITIES:</b>			<u>(25,483)</u>		<u>(2)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£139,270</u>		<u>£(2)</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	7		82,820		(2)
Share premium	8		287,500		-
Profit and loss account			<u>(231,050)</u>		
<b>SHAREHOLDERS' FUNDS:</b>			<u>£139,270</u>		<u>£(2)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 31 July 2000.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

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2 125 662



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Startups often make mistakes, and Companies House filings and accounts can be wrong. This is generally picked up as a company matures... particularly if it's planning an IPO (which is the path YouGov was on).

YouGov did just that...

2 108 635



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... Two years later, YouGov filed a late form showing Shakespeare & Balshore acquired more shares back in 2000. But for "nominal" value - only £7k each

This wasn't a capital injection - just (typical) cheap shares for founders.

Balshore wasn't a founder. Why did it get this?

**Return of Allotment of Shares**

Please complete in duplicate or in our online system.

Company Number: **03607311**

Company name in full: **YOUGOV LIMITED**

Shares allotted (including bonus shares):

Date or period during which shares were allotted	Firm	To	Class of shares	Number allotted
(If issued in more than one instalment, state the date of each instalment)	(City, Street, Postcode)	(Day, Month, Year)	(e.g. Ordinary)	
	09, 05, 2000			

Class of shares:  Ordinary

Number allotted:

Nominal value of each share:

Amount (if any) paid on each share (if not stated, state percentage):

Set the names and addresses of the allottees and the number of shares allotted to each allottee

If the allotted shares are fully or partly paid up otherwise than in cash please state:

Full cash shares to be allotted to each allottee:

Consideration to which the shares were allotted (if other than cash) to be ascertained by the allottees and confirmed by the company in accordance with Form 100 (if applicable) or Form 100A (if applicable):

Name	Address	Class of shares allotted	Number allotted
Stephen Shakespeare	604 Gilbert House, Barbican, London		72150
			72150

Please enter the number of continuation sheets (if any) attached to this form



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More share issuances in the next few years.

The wonderful Peter Kellner got involved, so got shares for free. As did Roland Berger & Partners (consulting firm):

Please complete in typewritten or in bold black capitals.

COMPANY  
 Company Number: 3607311  
 Company name in full: YOUNG & RUBICAM DOG COM LIMITED

Shares allotted (including bonus shares):  
 Date or period during which shares were allotted: 31/03/2011 to 31/03/2011  
 Class of shares: ORDINARY  
 Number allotted: 93200  
 Nominal value of each share: 1p

Name	Class of shares allotted	Number allotted
5 BATTLEFIELD ROAD, ST ALBANS, HERTS, HertsUK Postcode AL1 1 6BA	ORDINARY	50000
ROLAND BERGER AND PARTNERS LIMITED LANSINGHOPE HOUSE, BURNLEY SQUARE, LONDON	ORDINARY	43200

When you have completed and signed the form send it to the Registrar of Companies at:

3 99 545



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Small freebie shares dished out to employees and consultants (including @JamesDuddridge). Again, perfectly normal for a startup:

(the last page is missed out, due to Twitter's four image limitation, but it's not interesting)

Date or period during which shares were allotted: 29/01/2011 to 29/01/2011

Class of shares: ORDINARY  
 Number allotted: 52000  
 Nominal value of each share: 10p

Name	Class of shares allotted	Number allotted
PAUL SMITH 186 SEELY ROAD, LONDON	ORDINARY	2,500
MEL VARD ARVETTY 4 WARDUP ROAD, MITCHELL, STAFFY	ORDINARY	2,500
JAMES DUDDRIDGE 106 ALPHINGTON STREET, LONDON	ORDINARY	25,000
DAVID SAUNDERS 32 BEECH AVENUE, WIMBORNE, DORSET	ORDINARY	25,000
LORD DIOGLAIA 10 SPENTLAND ROAD, HAYWARDS HEATH, WEST SUSSEX	ORDINARY	25,000
DEB TAREY 1ST LEANDER ROAD, AMPTON, LONDON	ORDINARY	2,500

2 92 523



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Chime Communications then acquired 27,500 shares for the (bargain) nominal price of 10p each. There's a good reason for that - we'll come to it later.

Return of Allotment of Shares

Please complete in typewritten or in bold black capitals.

COMPANY  
 Company Number: 03607311  
 Company name in full: YOUNG LIMITED

Shares allotted (including bonus shares):  
 Date or period during which shares were allotted: 31/03/2011 to 31/03/2011  
 Class of shares: ORDINARY  
 Number allotted: 27500  
 Nominal value of each share: 10p

Name	Class of shares allotted	Number allotted
14 GARDEN SQUARE, LONDON	ORDINARY	27,500

When you have completed and signed the form send it to the Registrar of Companies at:



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27 November 2001. More consultants get to buy cheap shares:

Form for allotment of shares to YOUNGOV LIMITED. Includes fields for company name, company number (09607311), and details of shares allotted (100,000 ordinary shares at 1p each). The form is signed by David Orsanti on 27/11/2001.

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Then Peter Kellner gets to buy more shares at the cheap but eccentric price of 6.1p each. Then the same a few months later.

Form for allotment of shares to YOUNGOV LIMITED. Includes fields for company name, company number (09607311), and details of shares allotted (150,728 ordinary shares at 6.1p each). The form is signed by UK Postcode on 27/11/2001.

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... and more Kellner - catching up somewhat with the original founders. He's paying a bit, but it's not what you'd call capital.

Form for allotment of shares to YOUNGOV LIMITED. Includes fields for company name, company number (09607311), and details of shares allotted (145,000 ordinary shares at 1p each). The form is signed by UK Postcode on 27/11/2001.

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August 2003, and another consultant pays nominal 1p each for some shares:

**Return of Allotment of Shares**

Please complete in duplicate, one held with company (CHFF001)

Company Number: 0507245  
Company name in full: YOUNGSON LIMITED

Shares allotted (including bonus shares):  
Date allotted: 01/08/2003  
Class of shares: ORDINARY  
Number allotted: 39,000  
Nominal value of each share: 0.01

Let the names and addresses of the allottee and the number of shares allotted to each allottee:  
If the allotted shares are fully or partly paid up otherwise than in cash please state:  
To what each share is to be treated as paid up: 100%

When you have completed and signed the form send it to the Registrar of Companies at:  
Companies House, Crown Way, Cardiff CF14 3UZ, UK. D3 2386

Name: JACQUE HENLEY  
Address: 116 REMINGTON ROAD, LONDON  
Class of shares allotted: ORDINARY  
Number allotted: 39,000

Signed: [Signature] Date: 01/08/2003

3 77 456



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There are now a lot of shareholders. At this point, founders often want to preserve their power to direct the organisation and take "special" shares.

That happens here: Shakespeare, Zahawi, Kellner each get two special shares (with Shakespeare's giving one of his to his wife):

**Register of Allotment of Shares**

Please complete in duplicate, one held with company (CHFF001)

Company Number: 7260132  
Company name in full: YOUNGSON LIMITED

Shares allotted (including bonus shares):  
Date allotted: 19/10/2003  
Class of shares: SPECIAL BONUS  
Number allotted: 2, 2, 2  
Nominal value of each share: 1p

Let the names and addresses of the allottee and the number of shares allotted to each allottee:  
If the allotted shares are fully or partly paid up otherwise than in cash please state:  
To what each share is to be treated as paid up:

When you have completed and signed the form send it to the Registrar of Companies at:

Name: Shakespeare, Zahawi, Kellner  
Address: [Addresses]  
Class of shares allotted: SPECIAL BONUS  
Number allotted: 2, 2, 2

Signed: [Signature] Date: 19/10/2003

3 87 482



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Start of 2005 - another consultant gets shares for 1p each:

**Register of Allotment of Shares**

Please complete in duplicate, one held with company (CHFF001)

Company Number: 2043101  
Company name in full: YOUNGSON LIMITED

Shares allotted (including bonus shares):  
Date allotted: 01/01/2005  
Class of shares: SPECIAL BONUS  
Number allotted: 20,000  
Nominal value of each share: 1p

Let the names and addresses of the allottee and the number of shares allotted to each allottee:  
If the allotted shares are fully or partly paid up otherwise than in cash please state:  
To what each share is to be treated as paid up:

When you have completed and signed the form send it to the Registrar of Companies at:

Name: [Name]  
Address: [Address]  
Class of shares allotted: SPECIAL BONUS  
Number allotted: 20,000

Signed: [Signature] Date: 01/01/2005

1 78 438

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And that takes us up to the April 2005 IPO.

At this point I count £113,630 of share capital, £312,711 of share premium.

None of that was from Balshore.

	shares	nominal value	Premium
06/05/2000	828,180	£82,818.00	<b>£287,500.00</b>
06/05/2000	144,300	£14,430.00	£0.00
11/09/2001	93,200	£932.00	£0.00
26/11/2001	523,000	£5,230.00	£0.00
31/03/2001	27,500	£2,750.00	£0.00
27/11/2001	100,000	£1,000.00	£0.00
03/12/2001	145,728	£1,457.28	£7,432.13
03/06/2002	145,728	£1,457.28	£7,432.13
03/12/2002	145,728	£1,457.28	£7,432.13
03/06/2003	145,727	£1,457.27	£2,914.54
01/08/2003	39,090	£390.90	£0.00
28/10/2003	6	£0.06	£0.00
01/01/2005	25,000	£250.00	£0.00
		<b>£113,630.07</b>	<b>£312,710.93</b>

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That is broadly consistent with the Jan 2005 balance sheet - except it shows £370,767 of share premium.

I can't see where the additional £58k comes from, but it's hardly a significant amount of capital, and it wasn't Balshore (as they haven't received any shares since 2000).

**YUUGOV LIMITED**  
**BALANCE SHEET**  
**31 JANUARY 2005**

Notes	31/1/05		31/7/04	
	£	£	£	£
<b>FIXED ASSETS:</b>				
Tangible assets	5	50,404		51,244
Investments	6	-		1,700
		<u>50,404</u>		<u>52,944</u>
<b>CURRENT ASSETS:</b>				
Debtors	7	716,306		505,725
Cash at bank and in hand		<u>879,773</u>		<u>977,287</u>
		1,596,079		1,483,012
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>735,441</u>		<u>602,792</u>
<b>NET CURRENT ASSETS:</b>		<u>860,638</u>		<u>880,220</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		911,042		933,164
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	10	<u>3,000</u>		<u>3,000</u>
		<b>£908,042</b>		<b>£930,164</b>
<b>CAPITAL AND RESERVES:</b>				
Called up share capital	11	113,631		113,381
Share premium	12	370,767		370,767
Profit and loss account		<u>423,644</u>		<u>446,016</u>
<b>SHAREHOLDERS' FUNDS:</b>		<b>£908,042</b>		<b>£930,164</b>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**

*S Shakespeare*  
S Shakespeare - Director

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What about the creditors? Could Balshore have provided loan finance and that's how it got the shares for free?

Back in the year Balshore got its shares, there were £91,459 of "other creditors". Could that be it?

**YUOGOV DOT COM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2000**

	Notes	21/7/00	21/7/99
		£	£
<b>FIXED ASSETS:</b>			
Intangible assets	4	164,753	-
<b>CURRENT ASSETS:</b>			
Debtors	5	67,735	-
Cash at bank and in hand		136,861	-
		134,596	-
<b>CREDITORS: Amounts falling due within one year</b>	6	150,079	2
<b>NET CURRENT LIABILITIES:</b>		(15,483)	(2)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		£139,270	£(2)
<b>CAPITAL AND RESERVES:</b>			
Called up share capital	7	82,820	(2)
Share premium	8	287,500	-
Profit and loss account		(31,050)	-
<b>SHAREHOLDERS' FUNDS:</b>		£139,270	£(2)

The company is entitled to exemption from audit under Section 248A(1) of the Companies Act 1985 for the year ending 31 July 2000.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company at the end of each financial year and of its profits or loss for each financial year in accordance with the requirements of Section 228 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

1 76 450

Dan Neidle @DanNeidle · Jul 13

The £91k is still there in the next few years, but there's no corresponding entry in Balshore's accounts.

**Balshore Investments Limited**  
**Balance Sheet**  
**As at 30 March 2002**

Pound Sterling

<b>Fixed Assets</b>		
Unquoted Investments		35,159.00
		<u>35,159.00</u>
<b>Current Assets</b>		
Cash at bank & in hand	1,121.74	
Current Accounts		
	<u>1,121.74</u>	
<b>Creditors within one year</b>		0.00
<b>Net Current Assets (Liabilities)</b>		1,121.74
<b>Creditors due after one year</b>		0.00
		<u>36,280.74</u>
<b>Financed by:</b>		
Share Capital		
Paid-up Capital	100.00	
Share Holders loans	35,069.00	
Profit & Loss Account	1,121.74	
<b>Equity Shareholders' funds</b>	GBP	<u>36,280.74</u>

APPROVED BY THE BOARD ON 21 April 2005

Duran - Boardina  
Director

Galliano - O'Brien  
Director

3 74 459

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It's possible Balshore's accounts are wrong, and the £91k was a loan from Balshore.

But it's credible (and wouldn't have been legal) for Neil Copp to pay £287,500 cash for a 15% stake, but Balshore to \*lend\* £91k and get a 45% stake.

5 74 471

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There was some debt funding, from Chime Communications. Which explains why (way upthread) they got cheap shares.

**0 Creditors: amounts falling due within one year**

	2002	2003	2004	HY
	£	£	£	
Other unsecured loans	264,000	264,000	264,000	
Trade creditors	215,657	26,549	9,859	3'
Directors' current accounts	75,233	-	30,854	4:
Corporation tax	5	41,500	200,950	38:
Social security and other taxes	110,079	14,474	-	2
Other creditors	77,728	4,113	-	
Debt securities	21,369	1,650	11,608	3:
Dividends	51,002	144,579	85,521	9:
Dividend proposed	-	65,000	-	11:
	<u>815,073</u>	<u>561,865</u>	<u>602,792</u>	<u>73:</u>

**Other unsecured loans**

Other unsecured loan of £264,000 reflect monies received from Chime Communications plc. The purpose of the loan was as a working capital facility, the terms of which required the company to repay the loan on demand. This was repaid during the period to 31 January 2005.

3 68 434

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So to conclude this very lengthy thread: Zahawi is saying that Balshore got a 45% stake in YouGov because it provided capital to YouGov.

There is zero evidence of any capital from Balshore (except, just about possibly, a £91k loan - but that wouldn't justify a 45% stake).

6 166 732

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I see only three possibilities:

1. I am missing something. What?
2. Balshore did provide capital, but this was omitted from all of YouGov's accounts and filings, and not even picked up during the IPO.
3. Zahawi is lying, and this was tax avoidance.

4 202 959

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If the answer is 1 or 2 then Zahawi should prove it by pointing us towards some actual evidence, and not just making assertions in background briefings to journalists.

2 134 794

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For anyone wanting to go hunting:

Here are all the pre-IPO 88(2) forms in one place:

[taxpolicy.org.uk/assets/pre-IPO...](http://taxpolicy.org.uk/assets/pre-IPO...)

Here are the 2000 accounts: [taxpolicy.org.uk/assets/yougov...](http://taxpolicy.org.uk/assets/yougov...)

1 106 535


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Here's the Jan 2005 balance sheet: [taxpolicy.org.uk/assets/yougov...](http://taxpolicy.org.uk/assets/yougov...)

And all the Companies House filings are here: [...te.company-information.service.gov.uk/company/O36073...](http://...te.company-information.service.gov.uk/company/O36073...)

1 89 448



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My full analysis is here:



taxpolicy.org.uk  
Did Nadhim Zahawi use an offshore trust to avoid ...  
I've used information in the public domain, my tax expertise, and input from other tax experts, to try t...

7 284 837

 **Dan Neidle** ✓ @DanNeidle · Jul 13  
I've compiled this thread into a blog post for those who find that more convenient:



taxpolicy.org.uk  
Did Nadhim Zahawi's family trust provide any capit...  
Nadhim Zahawi founded YouGov, but took no shares in it. A Gibraltar company, Balshore ...

8 189 643

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Obviously I would be delighted if [@nadhimzahawi](#) or his team would get in touch and explain their position. My DMs are open and my email address is at [taxpolicy.org.uk](#).



taxpolicy.org.uk  
Tax Policy Associates  
Tax Policy Associates Understanding Tax ,  
Improving Tax Twitter LinkedIn Rss Mastodon ...

19 152 779

 **Dan Neidle** ✓ @DanNeidle · Jul 16  
What happened next:

 **Dan Neidle** ✓ @DanNeidle · Jul 16

On Wednesday, Nadhim Zahawi said that his founder shares in YouGov ended up with a Gibraltar company because it had provided capital. I went through all the filings and concluded that either I was missing something, or Zahawi was lying.

Turns out Zahawi was lying. An update: [twitter.com/DanNeidle/stat...](#)

[Show this thread](#)

7 52 162