

On behalf of: Defendants

D. Neidle

Statement No: First

Exhibit: DN1

Date: 20 October 2025

Case Number: KB-2025-003209

IN THE HIGH COURT OF JUSTICE
KING'S BENCH DIVISION
MEDIA AND COMMUNICATIONS LIST

BETWEEN:

SETU KAMAL

Claimant

-and-

TAX POLICY ASSOCIATES LTD

First Defendant

DANIEL NEIDLE

Second Defendant

FIRST STATEMENT OF DANIEL MARC NEIDLE

I, **DANIEL MARC NEIDLE**, of Tax Policy Associates Ltd, 124 City Road, London, United Kingdom, EC1V 2NX, **WILL SAY AS FOLLOWS:**

INTRODUCTION

1. I am a solicitor and investigative journalist and the director and sole member of the First Defendant ("TPAL") of the above address. I make this statement in both my personal capacity and on behalf of TPAL.
2. From 1998 to 2022, I worked at Clifford Chance as a tax lawyer. I had a general practice, with particular expertise in the tax treatment of financial transactions, tax avoidance and international and EU tax. I became a partner in 2008 and Clifford Chance's UK head of tax in 2020.
3. Following my retirement from Clifford Chance in April 2022, I established TPAL, an independent, not-for-profit, think tank on tax and legal policy.
4. Since April 2022, I have spent my time as an investigative journalist, seeking to expose tax avoidance and its causes. For that work, I won the Press Gazette's

award for Investigative Journalist of the Year in 2023, was awarded “Outstanding Contribution to Taxation in 2022-23 by an Individual” in the Tolley's 2023 taxation awards and received the John Stokdyk Outstanding Contribution Award at the 2024 Accounting Excellence Awards.

5. I make this witness statement in support of my and TPAL's application for:
 - a. An order that the Claim Form and Particulars of Claim be struck out for being a SLAPP claim within the meaning of section 195 of the Economic Crime and Corporate Transparency Act 2023, which the Claimant will be unable to show is more likely than not to succeed at trial pursuant to CPR 3.4(2)(d) and/or as an abuse of process under CPR 3.4(2)(b).
 - b. And/or an order that the Claim Form and Particulars of Claim be struck out for failure to comply with a rule, practice direction, or court order pursuant to CPR 3.4(2)(c).
 - c. And/or an order that parts of the Claim Form and Particulars of Claim be struck out because those parts of the Claim Form and Particulars of Claim disclose “*no reasonable grounds for bringing or defending*” those parts pursuant to CPR 3.4(2)(a).
 - d. And/or summary judgment on the whole of the claim pursuant to CPR 24.3.
 - e. If the claim is permitted to continue, security for costs pursuant to CPR 25.26.
6. This statement has been prepared by me and my solicitors at Good Law Project (“GLP”) following calls and emails between us.
7. The facts and matters set out in this statement are within my own knowledge unless otherwise stated, and I believe them to be true. Where I refer to information supplied by others, the source of the information is identified; facts and matters derived from other sources are true to the best of my knowledge and belief.
8. There is now produced and shown to me a paginated bundle of true copy documents marked “DN1”. There is also now produced and shown to me a paginated bundle of true copy documents marked “MG1”, which is the exhibit to the witness statement of Matthew Gill. In this statement references to those exhibits are in form **DN1/tab/page** and **MG1/tab/page**.

THE FEBRUARY REPORT

9. We published an article in February 2025 (the “February Report”) which described a tax avoidance structure promoted by a firm called Arka Wealth **[DN1/1/D2]**; Arka Wealth said everyone implementing the structure would receive a legal opinion from their “legal partner”, Setu Kamal **[DN1/2/D19]** **[DN1/2/D32-33]** **[DN1/2/D44]** **[DN1/2/D46]**. Mr Kamal appeared in videos promoting Arka Wealth.
10. We have published numerous investigations of tax avoidance scheme promoters and others engaging in fraud. It is usually our aim to prompt HMRC and other authorities to investigate the schemes. Usually that is a civil investigation; occasionally it is criminal.
11. It is often hard to see what effect our report has had, because HMRC investigations are confidential. Sometimes we see the promoter cease their business and we can infer there was HMRC civil or criminal action (for example in the case of the “B2B Tradecard” scheme we reported on). Sometimes the promoter’s clients keep us updated so we know civil action was taken (for example in the cases of the “Less Tax for Landlords” and “Property118” schemes we reported on). Only on occasion are we sure that arrests followed our investigation (for example in relation to the “Green Jellyfish” R&D firm, where we said there were grounds to suspect a conspiracy to commit tax fraud, and according to HMRC 11 of those involved were subsequently arrested).
12. I concluded that the Arka Wealth structure is in the grey area where it might or might not be criminal depending on how it was reported by Arka Wealth’s clients. The scheme offered by Arka Wealth involves creating a trust over income so that an individual or company’s income becomes the income of an offshore trust **[DN1/2/D35-36]**. The client therefore ceases to declare taxable income to HMRC.
13. If an Arka Wealth client fully discloses the structure to HMRC on their tax return, then no question of tax evasion would arise. The scheme would still fail (in my view, and that of the tax counsel and solicitors I discussed the structure with) and HMRC would recover tax plus potentially civil penalties.
14. However, my view is that people designing a structure like this know full well that HMRC will challenge it and they will lose. So, it is not disclosed to HMRC under the laws requiring disclosure of tax avoidance schemes (even though it should be) and I expect nobody will tell the taxpayer to disclose the structure on their tax return. Plausibly, they will advise the client to not disclose it.
15. At that point we are in potentially criminal territory. Cheating the revenue means knowingly and dishonestly failing to pay tax that is due. *Mavji* is authority that

this does not require a positive step - failing to report something is sufficient.¹ “Dishonesty” requires more than recklessness, but wilful blindness is probably sufficient (*Godir*).²

16. Cheating the revenue, as well as conspiracy to cheat the revenue and failure to prevent the facilitation of UK and foreign tax evasion, are among the “*economic crime offences*” listed in Schedule 11 of the Economic Crime and Corporate Transparency Act 2023.
17. At the point that we published our report, I did not know for a fact that those offences had been committed, but I suspected they may have been, and I believed that the February Report would facilitate a criminal investigation, as well as a civil tax investigation (whilst Arka Wealth was an Estonian company, the people behind it were all based in the UK). Whether any prosecutions would be against Arka Wealth clients (e.g. for failing to disclose), Arka Wealth (e.g. for telling clients not to disclose) or even Mr Kamal would depend on what an investigation uncovered.
18. We concluded our report by saying that we believed HMRC should investigate and close down Arka Wealth **[MG1/2/M25]**.³ The strength of the evidence we had found was such that I believed such an investigation would be likely to happen.
19. I believed that publishing the February Report served the public interest in tackling economic crime, including cheating of the public revenue, by calling on HMRC to investigate Arka Wealth and highlighting steps the government, HMRC and the BSB should take to deal with tax avoidance schemes like that promoted by Arka Wealth.
20. Since we published the February Report, Arka Wealth has closed its website **[DN1/3/D49]**. I do not know if this is because of an HMRC civil or criminal investigation, or for some other reason.
21. It is notable that since we published the February Report, on 4 September 2025, the Claimant was added to the HMRC’s “*Current list of named tax avoidance schemes, promoters, enablers and suppliers*” (“HMRC’s tax avoidance list”) **[DN1/4/D50-56]**. The Claimant is the first practising barrister to be added to HMRC’s tax avoidance list **[DN1/5/D57]**.
22. HMRC’s tax avoidance list sets out tax avoidance schemes which HMRC considers do not work. The schemes HMRC has said it suspects Mr Kamal was

¹ *R. v Mavji (Ramniklal Nathoo)* [1987] 1 W.L.R. 1388

² *R. v Godir (Mohammed Abdi)* [2018] EWCA Crim 2294

³ This explicit conclusion was added to the February Report shortly after publication, by 4 March 2025, and appears in the May 2025 version of the February Report annexed to the witness statement of Matthew Gill **[MG1/2/M25]**.

involved in are different schemes to the Arka Wealth scheme, but they were each mentioned in the February Report. The timing is such that I doubt the February Report caused HMRC to investigate the Claimant's involvement with these schemes; I expect HMRC were already pursuing an investigation.

23. HMRC took the unusual step of also issuing a press release:

"It is HMRC's view that Setu Kamal, who has 20 years' experience as a barrister, designed four tax avoidance schemes and created contract templates that are essential to how these arrangements operate.

These schemes promoted by MLG Pay Limited, The Umbrella Agency Limited, Vegta Ltd, and Vision HR Solutions Ltd typically promise workers they can keep more of their pay by avoiding Income Tax and National Insurance contributions.

HMRC's position is that these arrangements do not work and that users of them face tax bills, interest and potential penalties."
[DN1/5/D57]

24. Arka Wealth marketed their structure across Europe **[DN1/5/D57]**, and the French, German, and Italian tax lawyers I spoke to expected that anyone implementing the structure would be the subject of a criminal investigation. Their readiness to say so in my experience is less about substantive differences in the law around tax evasion in these countries, but is more of a cultural/procedural difference – in my experience, HMRC will only refer a matter for criminal investigation if the structure is something a jury will be able to understand, and the time/cost of a prosecution is justified from a policy perspective. Procedurally a criminal investigation can also complicate and potentially delay HMRC civil investigations. On the other hand, in many civil law countries a criminal investigation tax prosecution is triggered in parallel with a civil investigation as a matter of course – there are no procedural bars to doing so. Most significantly, the absence of juries means that complexity is no barrier to prosecuting tax offences.
25. This is why the February Report said that we expected the tax authorities in France, Germany, and Italy to commence a criminal investigation of anyone using the structure but did not say that for the UK **[DN1/1/D2]**.
26. The effect of the interim injunction Mr Kamal applied in August 2025, and the injunction he is seeking now, would be to remove the February Report.

Honest opinion

27. Mr Kamal's suggestion that I have acted with malice is wholly untrue. Since retiring from Clifford Chance, I spend some of my time working on tax policy,

and some of my time seeking to expose tax avoidance and its causes. I regard this as partly about protecting HMRC (and therefore the wider body of taxpayers) from lost revenue, and partly about consumer protection (because the schemes I see will usually end very badly for the people buying them).

28. I had not heard of Mr Kamal until one of our team noticed the 22 March 2024 judgment of the *Hamid* court concerning Mr Kamal: *R. (on the application of Apricot Umbrella Ltd) v Revenue and Customs Commissioners* [2024] EWHC 665 (Admin). We started to investigate the schemes which had been the subject of the *Hamid* referral and approached Mr Kamal for initial comment in June 2024. However, the investigation ended up being delayed by other matters and then joined what is a large list of half-completed investigations.
29. Almost a year later, I received a tip-off about the Arka Wealth scheme and started to investigate it. Arka Wealth was promoting a tax avoidance scheme on social media and its TikTok page had attracted millions of likes and tens of thousands of followers; now 2.2 million likes and 239,000 followers **[DN1/6/D59]**.
30. I often see tax avoidance scheme promoters claiming their schemes are backed by barristers, sometimes including photographs of the barrister. I typically email the barrister, and the barrister invariably responds with shock at being named by the promoter and takes steps to require the promoters to stop using their name. In those cases, we never name the barrister as associated with the scheme. This case was different: when we wrote to Mr Kamal it became clear that he was closely connected to Arka Wealth.
31. I had, and continue to have, deep concerns about the tax avoidance schemes Arka Wealth and Mr Kamal were promoting and felt that they were encouraging people to use a tax avoidance scheme which would cause their clients harm. It was redolent of the schemes promoted by Paul Baxendale-Walker (a former solicitor who had been struck-off and later convicted of fraud). Those schemes had caused misery to a large number of people.
32. As should be clear from the February Report and the evidence I share in it, I honestly believe what I and TPAL published about Mr Kamal.
33. In preparing the February Report, my intention was to express my opinion on the problems with the tax avoidance scheme Arka Wealth was promoting, my concerns about Mr Kamal's involvement in that tax avoidance scheme, the risks to the public, and what HMRC, the government and the BSB should do to combat schemes such as that promoted by Arka Wealth.
34. I and our team researched Arka Wealth extensively, reviewing its website and social media pages in detail, including watching over a hundred of the videos it

published promoting the scheme, some of which featured Mr Kamal. We also extensively researched Mr Kamal's involvement in other tax schemes, including the legal arguments he had made in several court cases. I then applied my knowledge of tax law to the legal arguments advanced by Mr Kamal and the tax avoidance scheme as Arka Wealth was promoting it to reach my conclusions. The February Report provides hyperlinks and footnotes to explain each of our conclusions **[DN1/1/D2]**.

35. I am a very experienced tax lawyer, and when I was practicing, I would have described myself as a leading expert in some of the areas of law relevant to the Arka Wealth scheme (such as DOTAS, the sham doctrine, tax treaties, royalties, corporation tax). I would still have always discussed points with colleagues before reaching definitive views. I continue to do that now, speaking to a range of other tax experts. This is all the more important for those aspects of the Arka Wealth scheme which were outside my direct expertise (or related to foreign law). I therefore involved a range of other lawyers and tax accountants, who I credit for their contributions at the end of the February Report:

“Thanks to James Quarmby, C, K, T and L for their UK tax technical input, to P, J, D and H for the French, German, Italian and Polish tax commentary, and to T and G for the international arbitration advice. Thanks, most of all, to A for the original tip.” **[DN1/1/D2]**

36. Like most of our investigations, the February Report was the product of a team, but I believed its content to be correct and take full responsibility for it.
37. I also offered Mr Kamal a pre-publication right of reply, but he declined to do so, as set out in more detail in the witness statement given by Matthew Gill of GLP.
38. We published our report at approximately 8.00am on 26 February 2025 **[DN1/1/D2]**. At 11.04am that day I wrote to Arka Wealth and Mr Kamal, drawing their attention to the report and saying that if they identified any errors, we would fix them immediately **[MG1/28/M156]**. I received no response from Mr Kamal until 2 April 2025 when he wrote saying that he would proceed with legal action at “*COB today*” unless I retracted unspecified statements and committed to compensating him with an unspecified amount **[MG1/28/M158]**.
39. While I reserve the right to plead different meanings to those pleaded by Mr Kamal, I honestly held the opinions which Mr Kamal has pleaded when I published the February Report. The bases on which I held those opinions are set out in it.

Public interest

40. The February Report was on a matter of public interest, and I honestly believed it was on a matter of public interest.
41. My belief was reasonable because of the research that I undertook which is outlined at paragraphs 9 to 39 above and set out in the February Report.

Mr Kamal's behaviour and its impact

42. It is often the case that, after we publish an article on a tax avoidance structure, we receive tip-offs from advisers who have seen the structure, people who have used it, or from others with relevant information.
43. In April and May 2025, we received additional information regarding the tax opinions Mr Kamal wrote facilitating remuneration avoidance structures. We mentioned those structures in passing in the February Report (Veqta, Vision HR and Apricot), but now we had much more information about the precise nature of those structures. I heard first hand from well-informed sources that Mr Kamal designed these schemes (something that is now confirmed by HMRC's tax avoidance list).
44. Around the same time I was discussing the "tax gap" with various people (i.e. the difference between theoretical tax liability and the amount actually paid to HMRC), and trying to work out why the small business "tax gap" had tripled during the last 20 years, when (over the same period) the large business tax gap had fallen by two-thirds, as HMRC reports. One potential reason was the industrial-scale use of structures like Veqta, Vision HR and Apricot which Mr Kamal has been involved in.
45. After speaking to remuneration tax specialists and retired HMRC officials, I was convinced that [REDACTED]
46. I and the TPAL team therefore started researching these schemes and their impact on overall corporation tax revenues. A reliable source had told me they estimated £3-5bn/year of tax was lost from the schemes (not just schemes in which Mr Kamal is involved, but all similar schemes across the market) and I started a twin-track project where one team was analysing the numbers in detail, and another was looking at the legal analysis of the Veqta etc structures.
47. If we reached the conclusion I expected - that these schemes were in fact leaving HMRC out of pocket to the tune of £3-5bn/year of tax - then I intended to call for [REDACTED]

- [REDACTED]
48. However, it was around this time that Mr Kamal sent me a number of legal threats, he told me that he had written to Google, Bing, Cyprus Data Protection Office and the ICO to try to get the February Report delisted, and indicated that he was going to bring proceedings against me for defamation. I and TPAL considered whether we could continue this work against that backdrop but concluded this would be unwise given Mr Kamal's disproportionate response to the February Report. We therefore had to put our work on hold, and haven't published our findings.
49. Mr Kamal is trying everything he can to silence my reporting of his involvement in tax avoidance schemes which I believe are bound to fail. He could have engaged with my right to reply email on the February Report, but he chose not to. He could have engaged with me about the alleged inaccuracies in the February Report, but he chose to write to Google, Bing, Cyprus Data Protection Office, and the ICO instead. He could have engaged with GLP's request that he provide a compliant pre-action letter, but he chose instead to seek an interim injunction without telling me and then to issue a claim for over £8 million.
50. Mr Kamal's actions, threat of litigation and eventual litigation in relation to the February Report which expresses my honest opinion on Arka Wealth and Mr Kamal and which I know to be based on accurate evidence has therefore prevented publication of further reporting in the public interest, and (as far as I am aware) nobody else has published anything covering the issue.
51. I and my family have been greatly alarmed by the scale of the damages Mr Kamal has claimed, which exceed £8m. My understanding is that, if Mr Kamal were to prevail, this would be by some measure the largest libel award ever made. I understand from speaking to defamation lawyers and other journalists that Jeffrey Archer's libel award in 1987 is said to be the largest English libel award in history – that was £500,000 – £1.5m in today's money.⁴ I understand that the largest award in the years since the Defamation Act 2013 is the £443,923.42 awarded in *ReachLocal v Bennett*.⁵
52. I believe there is a low chance we will lose this case. But as a litigator I would always advise clients that the strongest theoretical case is never better than 80% odds as a practical matter. So, my "expected" result here in statistical terms (the way I tend to approach such matters) is a very alarming £1.6m loss (ie. 20% of £8m).

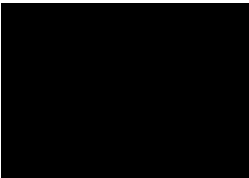
⁴ I used the Bank of England inflation calculator which shows that £1 in 1987 is worth approximately £3 today, and applied this to the £500,000 figure.

⁵ *ReachLocal UK Ltd and another v Jamie Bennett and others* [2014] EWHC 3405 (QB)

53. Needless to say, an award of this magnitude would cause us very considerable financial difficulty, and even running what we believe to be a small risk of being subject to such an award is an alarming prospect. I believe that result is intended, and that Mr Kamal has deliberately inflated his losses in order to pressure me.
54. That pressure is increased by the eccentric and aggressive manner in which he has pursued the litigation, for example: saying that he would proceed with legal action by the end of the day unless I retracted unspecified statements and agreed to pay an unspecified amount of compensation **[MG1/28/M158]** but not doing so for five months; making bizarre demands (that I say he is the leading tax barrister in the UK) **[MG1/28/M185]**; denying he provided an opinion on a tax scheme that his own business partners say he provided an opinion on, and the name of which he personally trademarked (see witness statement of Matthew Gill); making threats of litigation for months without following through; and then suddenly applying for an “on notice” injunction without giving notice. I am an experienced litigator; this does not feel like ordinary litigation. I don’t believe a solicitors’ firm could properly act in this manner; but Mr Kamal is acting for himself.

STATEMENT OF TRUTH

I believe that the facts stated in this witness statement are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Signed 

Daniel Neidle

Date: 20 October 2025