

Tax Strategy 2022

Scope

This strategy applies to Newbury Investments (UK) Ltd and its subsidiaries in accordance with paragraphs 19 and 25 of Schedule 19 to the Finance Act 2016. It will undergo continuing review and will be updated annually. It is effective for the year ending 31 December 2022.

This strategy applies from the date of publication until it is superseded.

Aim

Newbury Investments (UK) Ltd and its subsidiaries (together “the group”) are committed to full compliance with all statutory obligations and full disclosure to tax authorities. In addition, the group is committed to maintaining an open and transparent relationship with the tax authorities and the high standards of governance expected of our businesses.

Responsibility of those charged with governance

Ultimate responsibility for the group’s tax strategy and compliance rests with the Board of Directors. Day to day management of the group’s tax affairs is delegated to the Finance Director and the Finance Department. Together with the group’s Internal Audit Department, the integrity of the group’s financial reporting system, internal controls and risk management framework, expressly those elements relating to taxation, is monitored closely. Any deficiencies are reported directly to the Directors.

Risk management

The group seeks to minimise the level of tax risk as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with tax obligations.

The group has a low appetite to tax risk and believes that the primary driver for making business decisions should not be based on tax. As such, the group’s key performance metrics are not designed to encourage artificial tax avoidance behaviour. In addition, the group does not engage in tax avoidance schemes.

Management has put in place a strong controls environment and appropriate monitoring processes to ensure that compliance to tax obligations are met at all times. The controls environment is also reviewed regularly.

To ensure that the group remains alert of tax developments and maintains its continued compliance, the group ensures that appropriate training is carried out for staff who manage or process matters which have tax implications and advice is sought from external advisers where appropriate.

Where the group is in doubt as to the tax implications of particular activities, clarification is sought from HMRC prior to engaging in such activities. The group would only proceed on such matters if it was satisfied that such actions would not result in non-compliance with its tax obligations.

Attitude towards tax planning and level of risk

The group manages risks to ensure compliance with legal requirements and tax obligations in a manner which ensures payment and reporting of all taxes due.

The group seeks to achieve this through:

1. Submission of all tax returns on a timely basis
2. Paying the appropriate amount of tax at the right time
3. Maintain tax accounting arrangements which are robust and accurate and comply with Senior Accounting Officer (SAO) provisions in the UK
4. Ensure that the group's tax affairs are as transparent as reasonably possible
5. Ensuring that adequate resource is available to manage tax compliance issues on a timely basis
6. Ensuring all tax filings are supported with appropriate documentary evidence
7. An open and transparent relationship with HMRC

The group does not engage in tax planning or tax avoidance schemes that are artificially designed to reduce tax payments.

Furthermore, none of the group's performance metrics are based on the level of tax it pays.

Overall, the group has a low tolerance for tax risk.

Relationship with HMRC

The group seeks to have a transparent and open relationship with HMRC through regular updates and communication with its Customer Compliance Manager (CCM).

The group ensures its CRM is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage.

Where the group is uncertain of the tax treatment of certain activities, it would seek the advice of its CRM prior to engaging in such activity.

Any tax issues identified are communicated to HMRC as soon as reasonably practicable after they are identified.

Overall, the group is proud of its low risk rating as determined by HMRC's Business Risk Review process.