

## **Group Tax Strategy**

### **Financial year ended 31 January 2020**

The Malcolm Group Ltd and subsidiaries ('the Group') is a family owned business, comprising two core divisions, Logistics and Construction Services & Waste Management. Each division operates from a number of locations throughout the UK.

Our policy has always been to pay the correct amount of all taxes as they fall due. The Group pays a range of taxes including corporate income taxes, employment taxes, and stamp duty land tax. We also collect and pay employee taxes as well as indirect taxes such as VAT.

For the purposes of the Group's tax strategy, tax is defined as all forms of direct and indirect tax charges or levies, and applies to all subsidiaries within the Group.

### **UK Tax Risk Management and Governance**

The Group Finance Director is responsible for the Group's tax strategy which is approved by the Main Board. This includes the implementation of appropriate policies, procedures and systems and is supported by both the group's central and divisional finance teams.

Wherever possible, the Group uses HMRC accredited 3<sup>rd</sup> party software solutions to minimise the risk of non-compliance.

The personnel involved in tax compliance are appropriately qualified, and experienced with the required skills. External advisors are engaged to ensure our personnel are kept up to date with changing tax legislation. Our policies and procedures are revised on an ongoing basis to reflect these legislative changes.

The Group has a low tolerance to tax risk. We are committed to paying the right amount of tax at the right time, and to comply with tax legislation and reporting requirements in the UK. To achieve this, we ensure we have the right procedures, processes and controls in place throughout our business to minimise the risk of non-compliance.

The Group utilises available incentives and reliefs within the UK Tax legislation, such as capital allowances.

Given the complexity of tax legislation, we engage external tax advisers to provide support with our tax compliance where required.

### **Relationship with Tax Authorities**

The Group approaches all dealings with HM Revenue and Customs ("HMRC") in an open and transparent way, through regular meetings and communication including an annual meeting with the Customer Compliance Manager to update HMRC with any changes in our business.

We are also committed to addressing any tax enquires or audits with HMRC promptly and resolving these in an open and constructive manner.

The Malcolm Group Limited considers that the publication of this statement complies with the duty set out in Part 2 of Schedule 19 Finance Act 2016.

Dated 29 January 2020