

# The Kerfoot Group Limited Tax Strategy

## Scope

The Kerfoot Group Limited is incorporated as a private limited liability company under the Companies Act 2006. The Kerfoot Group Limited is a limited company registered in England and Wales, and is wholly owned by Avril Pole Vegetal AS, a company incorporated in France under the company number RCS PARIS 328 319 033.

In this strategy, references to 'The Kerfoot Group', 'Kerfoot' or 'the company' or 'the group' are to The Kerfoot Group Limited.

This strategy applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties including Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, Import Duty, and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the group has legal responsibilities.

## Aim

The Kerfoot Group is committed to:

- Following all applicable laws and regulations relating to its tax activities.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.
- Applying diligence and care in our management of the processes and procedures by which all tax related activities are undertaken, and ensuring that our tax governance is appropriate.
- Using incentives and reliefs to minimise the tax cost of conducting our business while ensuring that these reliefs are not used for purposes which are knowingly contradictory to the intent of the legislation.

## Risk Management

Managing the company's tax affairs is a complex process across many functional areas of the business and as such there will inevitably be risks of error or omission within those processes (tax risks) which may result in the incorrect application of tax rules or calculation of tax returns. Kerfoot seeks to reduce the level of tax risk arising from its operations 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 its tax obligations.

Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and then changes to processes or controls are made when required. Eliminating tax risks entirely is impossible, therefore the attitude towards the level of control required over the processes designed to reduce these tax risks is driven by the likelihood of occurrence and scale of impact of each risk. The identified tax risks are then assessed on a case by case basis, allowing the company to arrive at well-reasoned conclusions on how each individual risk should be managed. Where there is uncertainty in how the relevant tax law should be applied, external advice will be sought to support the company's decision-making process.



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**Avril** GROUP

When reviewing the tax risks associated with a specific decision or action, the Group ensures that the following are considered:

- The legal and fiduciary duties of directors and employees.
- The requirements of any related internal policies or procedures.
- The maintenance of the Group's corporate reputation, having particular regard to the way we interact with the communities around us.

## **Attitude towards tax planning and level of risk**

The Group manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, Kerfoot seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation and does not undertake tax planning unrelated to such commercial transactions.

The level of risk which the company accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in its tax affairs. At all times Kerfoot seeks to comply fully with tax regulations and to act as a responsible corporate citizen. In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed, and for determining what actions should be taken to manage those risks, having regard for the materiality of the amounts and obligations in question.

In cases where the tax guidance is unclear or the Group does not feel it has the necessary expert knowledge to assess the tax consequences adequately, external advice will be sought to support the company's decision-making process.

## **Relationship with HMRC**

The Group is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular the Group commits to:

- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion.
- Seek to resolve issues with HMRC in a timely manner, and where disagreements arise work with HMRC to resolve issues by agreement where possible.
- Be open and transparent about decision-making, governance and tax planning.
- Reasonably believe that transactions are structured to give a tax result which is not inconsistent with the economic consequences (unless specific legislation anticipates that result), nor contrary to the intentions of Parliament.
- Interpret the relevant laws in a reasonable way, and ensure transactions are structured consistently.
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner.
- Ensure that any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

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