

Our Approach to the Management of Tax

Scope

This Tax Strategy applies to Bethell Group Holdings Ltd (BGP) and to the group of companies headed by BGP. Although Bethell Group is not a Large Entity in accordance with paragraph 16 of Schedule 19 to the Finance Act 2016 this Tax Strategy is published on a voluntary basis. A list of the applicable entities to which this Tax Strategy applies is set out as follows:

List of entities covered by this Tax Strategy

- Bethell Group Holdings Ltd, registered number 07143062
- Bethell Group Plc, registered number 02281508
- Bethell Intermediate Ltd, registered number 07458277
- Bethell Construction Ltd, registered number 00264322
- Bethell Utility Services Ltd, registered number 03594980
- Bethell Plant Services Ltd, registered number 03509647
- Bethell Property Services Ltd, registered number 04543733

In this Tax Strategy, references to “Bethell Group”, or “the Group” are to all entities within the above list of covered entities. The Tax Strategy is being published in accordance with paragraph 16(4) of the Schedule held within the Finance Act 2016. This Tax Strategy applies from the date of publication until it is superseded. References to “UK Taxation” are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, 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

Bethell Group is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The Group does not have an aggressive fiscal policy. This means it only carries out transactions that have a strictly commercial motivation and are not artificial. The entities used are not based on tax optimisation schemes. Its strategy is solely to achieve its commercial and industrial objectives while making a societal contribution to all its stakeholders. The Group’s activities generate a substantial amount of various taxes and duties, constituting a large part of its economic contribution. The Group’s tax affairs are managed in a way which considers the Group’s wider corporate reputation in line with BGP’s overall high standards of governance.

Governance in relation to UK taxation legislation

Ultimate responsibility for Bethell Group’s tax strategy and compliance rests with the Board of BGP and the directors of its subsidiaries. Executive management of tax matters, including the Group’s tax strategy and compliance, is delegated by the Board to the Group Finance Director and appropriate external advisors. To this end, the remit and resources of its tax management are structured so as to achieve compliance with evolving regulations where the Group operates. Prior to starting contracts, it makes sure that the structures underlying them comply with applicable tax obligations. During the life of the contracts, the Group fulfils its filing obligations in accordance with all laws and regulations, files declarations and pays taxes within the legal time limits.

The Board of Directors’ requirement to monitor the integrity of Bethell Group’s financial reporting system, internal controls and risk management framework, expressly includes those elements relating to taxation. Day-to-day management of Bethell Group’s tax affairs is delegated to the subsidiary company Finance Director(s),

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who report(s) to the Group Finance Director. The Finance and Human Resources teams are staffed with appropriately qualified individuals. The Board ensures that BGP's tax strategy is one of the factors considered in all investments and significant business decisions taken.

Risk management

Tax management, assisted where necessary by external advisors, tries to eliminate the risk arising from uncertainty or complexity in interpreting laws and regulations. Despite this, given the size of its business and the volume of tax obligations, the Group's tax positions may be contested by tax authorities due to differing interpretations. In such cases, the tax management aims to defend the Group's interests while respecting the spirit and letter of the law and the objective sought by the legislator.

Bethell Group operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the Group's financial reporting system, where it 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 mitigation controls, whilst addressing segregation of duties and necessary diligence checks. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.

Appropriate training is carried out for staff both inside and outside of the Finance or Human Resources teams who manage or process matters which have tax implications, ensuring an awareness within key stakeholders as to process demand and compliance requirement.

The level of risk which Bethell Group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs. At all times BGP seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Group Finance Director 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 to the materiality of the amounts and obligations in question.

Relationship with HMRC

Bethell Group seeks to have a transparent and constructive relationship with HMRC through regular meetings and communication in respect of developments in BGP's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes. Bethell Group ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, BGP discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

ADOPTED BY THE BOARD ON 15 JULY 2021



Our Values

