

Vospers of Plymouth Limited Tax Strategy

This document sets out the tax strategy of Vospers of Plymouth Limited and its UK subsidiaries:

- Vospers Motor House Limited (Trading)
- Epsom Motor Group Limited (Dormant)
- Exeter Motor Group Limited (Dormant)
- Sidwell Street Motors Limited (Dormant)
- Truro Garages Limited (Dormant)
- Vospers of Truro Limited (Dormant)
- Vospers Rentacar Limited (Dormant)
- Motors South West Limited (Dormant)

(the “Group”), and in making this strategy available the Group is fulfilling its responsibilities under Schedule 19 of the Finance Act 2016.

This tax strategy applies to all UK taxes applicable to the Group and is approved by the Board of Directors of Vospers of Plymouth Limited (the “Board”). It will be reviewed annually, updated as appropriate, approved by the Board and published.

How the Group manages its tax risks and governance arrangements

The Board is responsible for setting and monitoring the tax strategy including identifying tax risks. Any identified risks are then individually assessed and managed. The Group’s head office administration team including finance are accountable to the Board for implementing the tax strategy and the management of tax and related risks.

The Group’s head office administration team includes five fully qualified accountants and a fully qualified CIPD payroll manager along with others in these disciplines training towards relevant professional qualifications. Although there is no tax department or qualified tax advisers within the group, when there is uncertainty in how the relevant tax law should be applied, external advice will be sought to support the Group’s decision making process. In addition to the Group’s annual financial statutory audit, external professional guidance is sought to ensure compliance for VAT, payroll taxes, stamp duty, corporation tax and capital gains tax where necessary.

The Group utilises a long established market leading Motor Trade dealer management system to ensure that all data is processed and accounted for correctly. This forms the basis of the annual statutory accounts from which external advisors prepare the Group’s corporation tax computations and returns. Additionally, the payroll is outsourced and fully managed by a nationally recognised payroll bureau to ensure compliance in this area.

The head office finance function produce detailed monthly management accounts that are scrutinised by the management, the Board and all key external stakeholders. Financial comparisons and other key benchmarks are made by the Board on a regular basis to ensure we are operating in line with industry trends.

The Group’s attitude to tax planning

The Group will not engage in artificial transactions the sole purpose of which is to reduce UK tax and as such no disclosures are required under the Disclosure of Tax Avoidance Schemes legislation.

The Group's tax planning aims to support the commercial needs of the business by ensuring that the companies' affairs are carried out in the most tax efficient manner whilst remaining compliant with all relevant UK laws.

The Group's head office administration team including finance is involved in commercial decision making processes and this provides appropriate input into business proposals to ensure a clear understanding of the tax consequences of any decisions made.

In cases where 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 decision making process.

The level of UK tax risk the Group is prepared to accept

The Board of Directors are adverse to tax risks and do not want to do anything to damage the Group's financial security or its reputation as a trusted regional family business. The Group is privately owned and there is no external shareholder pressure to maximise returns by taking tax risks.

The Group seeks to maintain tax risks at a low level and avoid unnecessary disputes with HMRC through the maintenance of strong compliance procedures ensuring accurate, timely and complete reporting.

Approach of the Group towards its dealings with HMRC

The Group will deal with HMRC on an open, professional and transparent basis regarding all tax compliance and governance. The Group will endeavour to:

- Ensure all tax liabilities are identified, accurately calculated, disclosed and paid on a timely basis.
- Work with HMRC where any problems or disagreements arise to resolve the issues at an early stage.
- To deal with any correspondence or information requests from HMRC in a timely manner.
- Interpret the relevant UK tax laws in a reasonable way, and ensure transactions are structured consistently.
- To be open and transparent about decision making, governance and tax planning.

Approved by:



Peter Vosper

Date: 8th December 2017

On behalf of the Board of Directors, Vospers of Plymouth Ltd