

Simpsons Malt Limited group of companies - UK Tax Strategy

Introduction

The following information is provided in compliance with the requirements of the Finance Act 2016 Schedule 19, paragraph 16(2).

This document sets out Simpsons Malt Limited's approach and strategy for handling its tax affairs and managing tax risk in the United Kingdom (UK). The scope of this document is Simpsons Malt Limited (CRN: 00153026) together with its one trading subsidiary, WN Lindsay Limited (CRN:SC679103). WN Lindsay Limited was acquired by Simpsons Malt on 30 January 2021 and traded to 31 December 2021 at which point its business was transferred to Simpsons Malt Limited. From 1 January 2022 WN Lindsay Limited no longer trades.

The document will undergo periodic review and will be updated only when necessary. It is effective from the financial year beginning 1 January 2021.

Background

Simpsons Malt is a fifth-generation, family-owned company, which comprises a malting division and merchanting division. Its malted cereals are made in the UK and sold globally whilst its merchanting division trades cereals in the UK and supplies crop inputs and feed to customers in Northern England and Scotland.

Simpsons Malt is committed to being a sustainable business and believes that strong corporate governance is important in achieving this. This includes governance of its tax affairs. Simpsons Malt's direct contribution to taxation in the UK economy spans corporate, employment, property, and insurance premium taxes, as well as fuel duty, value added tax and other taxes.

Approach to Risk Management and Governance Arrangements

Simpsons Malt believes that a responsible approach to tax is essential for the sustainability of its business. Simpsons Malt is committed to full compliance with relevant tax legislation and supports transparency in its tax affairs and interaction with HM Revenue & Customs (HMRC).

In complying with UK tax legislation Simpsons Malt ensures that it acts in the interests of its stakeholders by claiming due allowances, incentives and reliefs and paying only what is rightly due.

Simpsons Malt's tax affairs are handled by senior and qualified personnel within the finance function. Simpsons Malt provides technical training when necessary and promotes professional development for its qualified finance staff. Simpsons Malt will seek external advice and / or HMRC clearance in a proactive manner in situations where the tax guidance is unclear, or it does not feel it has the necessary expert knowledge.

Simpsons Malt aims to report the right and proper amount of tax due and is committed to paying, on time, the taxes legally due and ensuring compliance with all legislative requirements in the UK.

Attitude to Tax Planning and Tax Risk

Simpsons Malt adopts a prudent approach to tax planning and will only be involved in tax planning to the extent that it supports commercial activities and remains compliant with all relevant tax legislation.

Simpsons Malt tax affairs are all conducted within the UK and where uncertainty over interpretation of tax law arises, Simpsons Malt will consult with external advisors and HMRC as necessary, in order to ensure certainty over compliance and therefore minimise risk.

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Simpsons Malt does not engage in aggressive tax planning or the use of artificial tax arrangements.

Working with HMRC

Simpsons Malt operates a transparent, honest, and proactive approach to its interaction with HMRC and commits to:

- meeting its compliance obligations in a timely manner, making accurate returns, and providing adequate disclosure on returns and in relation to specific transactions
- discussing its tax affairs with HMRC in a timely and transparent manner, especially in relation to areas of complexity or uncertainty
- considering the impact of new legislation and interpretation thereof, taking advice as necessary, so as to ensure compliance at all times

Simpsons Malt is proud to have achieved and maintained a HMRC low risk status for a number of years and considers the maintenance of this status to be a key corporate objective.

This document was reviewed and approved by the Board of Directors on 8 February 2022.