

Background

This document sets out the tax strategy of Park's Of Hamilton (Holdings) Limited and its subsidiary companies. The Group operates one of Scotland's largest and most successful motor retail groups with a diverse portfolio of luxury, niche and volume franchises from various locations throughout Scotland. The Group is also known for being a luxury coach operator for travel throughout Britain and Europe.

This document is applicable for financial year ended 31 March 2020 and will be reviewed on a regular basis to ensure it remains fit for purpose. It applies to all companies within the Group. The document is published on our website so any of our stakeholders can view it as necessary.

Tax objectives

The primary aim of the Group's tax strategy is to minimise tax liabilities by ensuring the timing and structure of the Group activities is optimised. The Group Finance Director will liaise with colleagues and professional advisors in order to achieve this.

It is also vital that this is achieved whilst ensuring that all submissions and payments are completed in compliance with any deadlines and with full disclosure.

Whilst the Group looks to minimise tax liabilities it does not engage in any tax planning which is deemed to be of higher risk in nature. Our aim is also to comply with the intended purpose of the law at all times.

Tax risks

We do not view our operations to be complex in nature and therefore our risk assessment reflects this. The main areas of tax exposure for the Group are:

- Corporation tax;
- Pay As You Earn and National Insurance; and
- Value Added Tax.

The finance team has identified the following risks in relation to the above:

- Failing to pay the correct amount of tax due;
- Failure to make correct disclosures to HMRC; and
- Failure to make payments by the correct due date.

The Group seeks to mitigate these tax risks by working with our tax advisors to ensure compliance with legislation at all times. The Group also ensures that its advisors are regulated by a professional accounting body to provide additional assurance over compliance.

The Group invests heavily in IT software that it considers will help facilitate compliance with legislation. There are also a number of qualified accountants working within the Group that can monitor processes to ensure compliance with legislation.

All submissions to HMRC are reviewed by an individual with suitable skills and experience prior to sending.

Working with HMRC

The Group seeks to maintain a positive working relationship with HMRC, liaising closely with our Customer Compliance Manager and other HMRC specialists to ensure they are fully aware of our operations. The Board of Directors believes that by being transparent at all times it is possible to develop a mutually beneficial relationship when dealing with the Group's tax affairs.

Where there is any element of perceived risk or uncertainty, enquiries will be made with the appropriate HMRC contact before the event. Should any issues be identified afterwards these will be rectified as soon as possible and full disclosure will be provided.

Governance

The Group Finance Director is the Senior Accounting Officer and is responsible for managing the tax strategy, working closely with the Board of Directors to ensure it is implemented throughout the Group. Any significant issues will be discussed in detail at regular board meetings.

The Board of Directors is comprised of individuals from different areas of the business which ensures that there is sufficient expertise and an ability to rectify issues as and when they arise.

The finance team, led by the Group Finance Director, are responsible for day to day tax matters. The Group is committed to ensuring our finance team has a suitable number of staff holding professional accounting qualifications.

Compliance statement

Park's Of Hamilton (Holdings) Limited considers that the publication of this statement complies with the duty set out in Part 2 of Schedule 19 Finance Act 2016.