

CENTRAL ENGLAND CO-OPERATIVE LIMITED

TAX POLICY

Introduction

Central England Co-operative (the Society) recognises that taxes are important. The UK government uses taxation in order to raise funds to provide law and order and defence of the country, education, provision of health and welfare services, supporting the arts and sustaining the country's operational infrastructure.

Taxation is a complex part of doing business. The combination of legislative obligations and accounting standards can make it challenging for organisations to clarify how their taxes do or don't relate to accounting profits or losses. This can be an even more demanding exercise for large organisations like the Society.

As a responsible business, the Society is committed to paying the right amount of tax at the right time. Each element of the Tax Policy is consistent with the Society's values and in particular, the value openness and honesty as a way of working.

Policy

The Tax Policy commits that the Society:

- takes a responsible and transparent approach to the management of its tax affairs;
- will not exploit or bend the rules, or use contrived or artificial structures to reduce the Society's tax liabilities;
- will only engage in reasonable tax planning that is aligned with commercial and economic activity and does not lead to an abusive result;
- where appropriate, will take advantage of tax incentives and reliefs for the purpose for which they are intended, in order to act in the best interests of the Society as a whole, whilst at all times showing respect for the intention and letter of the law;
- maintains an open, honest and co-operative relationship with HMRC, particularly on matters of tax uncertainty;
- has the relevant skills and knowledge on tax matters and access to independent professional advice when necessary; and
- will report to its Members, as is practicable, the Tax Policy in order to foster a greater understanding of the Society's tax obligations.

In managing the Society's affairs, the Head of Finance has responsibility for implementing its Tax Policy, which is reviewed and approved by the Board on a regular basis and at least annually.

By Order of the Board

March 2015