

FL Capital Holdings Ltd

Group Tax Strategy for the financial year ended 30th December 2022

In compliance with section 161, paragraph 16(2) of schedule 19 Finance Act 2016, FL Capital Holdings Ltd sets out its UK tax strategy. This strategy applies to all UK group companies.

The tax strategy covers all UK taxes, including but not limited to, corporation tax, income tax, NIC, and VAT as well as other various taxes paid by the group.

The strategy has been approved by the board of directors and we expect the tax function and any external advisers to adhere to its main values and principles.

Approach to tax risk management and governance

- The directors share responsibility for ensuring that the systems and controls are in place to manage tax risk.
- All risks identified as potentially impeding our commitment to a high standard of tax compliance or negatively impacting upon the company's reputation will be escalated to the appropriate level for review and consideration, including the Finance Director and the board of directors where appropriate.
- The main areas of risk arise from changes in tax legislation for any complex compliance requirements and the growth of the business.
- The group undertakes regular training and will request external advice where required to ensure it is capable of identifying and managing the ongoing tax risks we face.

Attitude towards tax planning

- The group is committed to paying its fair share of tax. This means paying the correct amount of tax required by law. We appreciate paying the right amount of tax has a wider benefit for the communities in which we operate. Therefore, we are committed to enhancing shareholder value, but with due regard to all of our stakeholders.
- All decisions in respect of tax planning relating to significant and complex commercial transactions will be aligned with our business strategy. As such, all decisions are intended to be supported by a genuine and sound commercial rationale.
- The Board has no intention to enter into artificial arrangements to minimise its tax liabilities.

The level of risk the group is prepared to accept in relation to UK taxation

- We intend to approach all business decisions with a conservative and low tax risk approach. However, we will seek to utilise all relevant incentives and tax reliefs as intended by Parliament where these apply to the group.

Approach towards working with HMRC

- It is our intention to develop a good working relationship with the UK tax authorities by co-operating with them in a professional, timely, and open and transparent manner.
- Where uncertainty exists, we will seek the appropriate clearances from HMRC prior to completing a transaction or submitting a tax return.
- Where we disagree with a tax authority's interpretation of the law, full disclosure will be made. Although, any alternative legal interpretation taken, we believe will be consistent with the intentions of Parliament and fully documented.

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