

Tax Strategy

Overview

Brickability Group PLC (or the “Group”) distributes, and in some cases installs, superior quality and strategically important building materials from major UK and European manufacturing partners, to provide solutions to a range of customer groups including architects, national and regional developers or housebuilders, merchants and retail. The Group has four divisions, split into core product groups: Bricks and Building Materials, Importing, Distribution and Contracting.

This tax strategy is in relation to Brickability Group PLC and to the group of companies headed by Brickability Group PLC in accordance with paragraph 16 of schedule 19 to the Finance Act 2016, in respect of the year ended 31 March 2023. Brickability Group PLC and all subsidiaries within the Group are UK based and subject to UK tax legislation.

This strategy applies from the date of publication until it is superseded and covers the taxes and duties set out in paragraph 15(1) of Schedule 19 of the Finance Act 2016.

Objectives

The Group has a zero-tolerance policy in respect of tax evasion and the facilitation of tax evasion. Its objectives in respect of its tax arrangements are to:

- comply with all applicable tax laws and regulations for which the Group is responsible;
- pay the correct amount of tax by the appropriate deadlines;
- maintain appropriate controls, processes and systems to accurately calculate and record tax liabilities; and
- be co-operative and transparent in its dealings with the Group’s tax authorities.

Managing tax risks

Overall responsibility for approving and overseeing the Group’s tax strategy rests with the Board, with the responsibility for implementation devolved to the Chief Financial Officer. The day-to-day execution lies with the group finance team and the finance teams of the companies within the group.

The Group’s tax processes are managed by suitably qualified finance professionals within the Group. Systems and controls are in place to ensure appropriate tax records are maintained and that tax payments are made as they fall due.

The Group obtains advice from third party professional advisors to assist with the interpretation of tax legislation and minimise the risk of non-compliance following changes in tax regulations. Their expert knowledge and experience is also utilised to aid the preparation and submission of the Group’s corporation tax computations and returns.

External auditors carry out a review of the Group’s tax calculations and provisions as part of the annual statutory audit. HMRC also perform periodic tax reviews throughout the Group. Such reviews provide assurance that the Group is managing its tax affairs appropriately and may identify areas where existing systems and processes could be enhanced further.

Approach to tax planning

The Group is mindful of expected shareholder returns and seeks to conduct its commercial operations in a manner that is tax efficient, whilst adhering to all applicable laws and regulations and paying the appropriate amount of tax as it falls due. The Group aims to claim all available allowances, reliefs and credits in respect of its operations, including research and development credits. The Group seeks to apply tax laws and legislation in accordance with the way in which it is intended and does not enter into ambiguous tax planning arrangements.

Acceptable levels of tax risk

The Board is ultimately responsible for monitoring and identifying risks, including tax risks, and determining how these risks should be mitigated and managed depending on their nature and materiality. The level of risk accepted by the Group is consistent with its overall objective of achieving certainty in its tax affairs. The Group seeks to operate on a low-risk basis in respect of its tax matters and fully comply with its regulatory obligations.

Working with tax authorities

The Group aims to engage in open, constructive and honest dialogue with HMRC in a professional manner. The Group aspires to respond to enquires in a timely manner and resolve any queries as quickly as possible. Where appropriate, the Group will also engage professional advisors to assist with more complex tax matters.

Approved by Mike Gant, CFO

On behalf of the Board of Directors

30 March 2023