

Large Business Tax Strategy

In accordance with Paragraph 16 (2) Schedule 19 Finance Act 2016, this represents the tax strategy of Craig & Derricott Ltd in effect for the financial year ended 31 March 2023.

The tax strategy has been approved by the boards of directors of the UK companies, it is reviewed annually and updated as appropriate.

Craig & Derricott Ltd is committed to compliance with all tax laws in the UK, Ireland, and all countries where it operates. As a wholly owned subsidiary of Addtech AB, we aim to be tax compliant, and all taxes are paid at the correct time and according to local laws and regulations.

Governance

Craig & Derricott Ltd Board of Directors is responsible for overseeing the local tax strategy however, the Addtech AB Group Directors has ultimate governance in this area.

It is the responsibility of the UK company to advise the Group of all taxation issues as soon as they become aware of these.

Managing UK Tax Risks

There are multiple internal controls in place at Craig & Derricott Ltd. The controls are monitored and implemented by the Finance Department.

The company has a low tolerance to tax risk, the principal tax exposures are corporation tax, VAT, and indirect and direct employment taxes.

Payment of taxes to deadlines is administered internally by the Finance Department who report to the Board of Directors.

Attitude to Tax Planning

Craig & Derricott Ltd aims to adhere to applicable tax rules, regulations and guidelines as set out by HMRC. All transactions processed have genuine commercial substance, and there are no artificial transactions undertaken for the purpose of tax planning.

Where necessary the company will engage with external tax advisers or appropriate authorities to ensure continued compliance with relevant changes in tax law.

Craig & Derricott Ltd does not operate strategies or practises that seek to reduce the tax base or transfer profits for tax saving purposes. A Transfer Pricing Agreement (policy) is in place at the Addtech AB Group level for intra group trading. This agreement reflects the substance of the business relationship between the entities and ensure application of the arm's length principal.

Dealing with HMRC

Craig & Derricott Ltd is committed to open and transparent relationship with all tax authorities and ensure full collaboration as and when required. The Finance Department is aware of the need to be accurate when dealing with any statutory requirements and ensuring professional behaviour.