



## The Little Group – Tax Strategy

### Introduction

The Little Group is a privately owned, family run Group based in the South of England. It is the holding company for the following active companies:

- Gardners Books Limited
- Askews & Holts Library Services Limited
- A T Little & Sons Limited
- Lasgo Chrysalis Limited
- Book Protectors Limited
- Hive Store Limited
- All Media Supply LLC

All the companies except All Media Supply LLC (AMS) are registered in the UK. AMS is registered in Florida, USA.

This document sets out the strategic tax objectives of The Little Group Limited and its subsidiaries (“the Group”).

It is not designed to be an operational manual with detailed instructions of the underlying processes and controls. Further commentary around the systems and risk management framework of the Group is contained within the Group’s compliance systems.

### Approval

This document, approved by the board of The Little Group Limited, sets out the Group’s approach to conducting its tax affairs and dealing with tax risks for the year ending 28 February 2020.

### Audience

This document is primarily of relevance to the Finance Teams together with the Board of Directors of each of the Group companies, and the Group Board who are responsible for tax across the organisation.

The policy is available to all employees and can be found on the website.

### Our Strategy

The Little Group is committed to:

- Following all applicable laws and regulations relating to its tax activities.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.
- Applying diligence and care in our management of the processes and procedures by which all tax related activities are undertaken, and ensuring that our tax governance is appropriate.
- Using incentives and reliefs to minimise the tax cost of conducting our business while ensuring that these reliefs are not used for purposes which are knowingly contradictory to the intent of the legislation.



## **Risk management**

We will operate effective tax governance, understanding the tax risks in place and ensure that senior personnel with the appropriate skill and experience are involved in key tax decisions.

The Group uses third party advisors to provide advice and guidance necessary to assess tax risks and ensure its compliance to applicable laws, rules, regulations and reporting and disclosure requirements.

The Group wants to ensure that it pays an appropriate amount of tax in relation to its commercial activities. It does not engage in aggressive tax planning arrangements, and believes that it's conservative in its approach to tax planning, applying tax rules and regulation in a way that it considers is consistent with parliament's intention, and HMRC expectations.

As the Group does not engage in tax planning arrangements where there is considered to be a significant risk of challenge by HMRC, the Group does not maintain any form of risk register. Any matters which are considered might lead to an unexpected, previously unidentified, or un-provided tax exposure, are discussed between the Finance Directors and the Group Board of Directors as may be appropriate.

## **Attitude towards tax planning**

The Group's tax planning aims to support the commercial needs of the business by ensuring that the companies' affairs are carried out in the most tax efficient manner whilst remaining compliant with all relevant laws. The tax function is therefore involved in commercial decision making processes and provides appropriate input into business proposals to ensure a clear understanding of the tax consequences of any decisions made.

In cases where the tax guidance is unclear or the Group does not feel it has the necessary expert knowledge to assess the tax consequences adequately, external advice may be sought to support the Group's decision making process.

The Group will use incentives and reliefs to minimise the tax costs of conducting its business activities, but will only undertake arrangements which they reasonably believe do not contradict the spirit of the law. For example the Group will not undertake transactions for tax which are inconsistent with the underlying economic consequences or undertake marketed avoidance. The company will not establish business in tax havens.

## **Approach towards dealings with HMRC**

The Group is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular the Group commits to:

- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion.
- Seek to resolve issues with HMRC in a timely manner, and where disagreements arise work with HMRC to resolve issues by agreement where possible.
- Be open and transparent about decision-making, governance and tax planning.
- Reasonably believe that transactions are structured to give a tax result which is not inconsistent with the economic consequences (unless specific legislation anticipates that result), nor contrary to the intentions of Parliament.



- Interpret the relevant laws in a reasonable way, and ensure transactions are structured consistently.
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner.
- Contact with our Customs Relationship Manager to discuss all areas of taxes and seek advice in cases of uncertainty or doubt.

### **Structure and organisation**

The organisation of the management of tax across the Group can be described as follows:

#### **Finance Teams**

The Finance teams employ various risk management processes and systems to provide assurance that the requirements of the Group's tax strategy are met.

#### **Use of professional advisors**

Matters where the Finance Directors consider there is insufficient skill or experience internally are referred to external professional advisors who have suitable knowledge of the companies, and hold suitable accounting and tax qualifications, as well as relevant experience.

The Board of Directors review the Group's tax strategies and risks, as well as internal controls and systems employed by the Group, on an ongoing basis.

Jonathan Little

Chairman

The Little Group Limited

Date: 28/02/20