

Samworth Brothers

Tax Strategy 2023

Overview

This tax strategy for the Samworth Brothers Group is published in accordance with Paragraph 16 of Schedule 19 of the Finance Act 2016. It sets out the strategy towards UK taxation adopted by the Samworth Brothers Group for the year ended 31 December 2023. This strategy applies to all companies in the Group.

Samworth Brothers is a fourth-generation family business with a heritage dating back to 1896. It manufactures and distributes high quality foods for the UK's leading supermarket, food service and convenience chains. The Group also owns a number of brands, including Soreen, Higgidy and Ginsters.

The Group is proud of its heritage and philosophy, known as the 'Samworth Way', which focuses on the role of the business towards all stakeholders. Samworth Brothers has a deep commitment to people and communities and investing in the business with a long-term view. Being a responsible taxpayer is part of that overall philosophy and commitment to our stakeholders.

Paying its fair share

As set out in the annual report, all Samworth Brothers' businesses and companies are registered for taxation in the UK and pay UK tax in full on their total profits and gains.

How Samworth Brothers manages its tax risks and governance

The Chief Financial Officer has overall responsibility for tax matters at Samworth Brothers. The CFO is supported by:

- the Company Secretary;
- the Group Financial Controller;
- The Director of the Shared Services Centre (certain processes are centralised within the Shared Services Centre in order to minimise risk and promote expertise); and
- The Group People Director (certain payroll processes are centralised).

Each business in the Group also has its own finance team overseen by the central teams. All the finance teams have ongoing access to tax professionals to support them in all areas of UK taxation, including PAYE, NIC, VAT, corporation tax, stamp duty land tax and insurance premium tax. In addition, a system of review is in place for all the Group's statutory tax filings.

The preparation of corporation tax returns is outsourced to an appropriately qualified accountancy and tax advisory firm and reviewed by Samworth Brothers prior to submission. The review involves discussions of any areas considered to be contentious by either the Group or the advisors, and, where necessary, agreement is reached as to an appropriate treatment. If there are any areas still considered to be contentious after these discussions, these are brought to the attention of the Group's Client Compliance Manager within HMRC.

The Chief Financial Officer and Company Secretary communicate with and advise the Board on the tax affairs and risks of the Group. They work closely with the Group Director of Risk and Assurance to monitor risk assessments within the Group.

Samworth Brothers' attitude to tax planning

The Group's tax planning always complies with both the letter and the spirit of current tax laws. The Group's family shareholders and both the non-executive and executive Boards have for many years stipulated that no artificial tax planning must be undertaken.

Transactions are only undertaken for commercial reasons, and all material transactions require Board approval. External tax advice is sought to ensure the Group complies with the relevant rules.

Approach to Tax Risk

All transactions undertaken by the Group have a commercial purpose, and the level of tax risk considered acceptable on any transaction is very low. The level of risk is considered via discussions with tax advisors and appropriate action to maintain a low level of risk is agreed in advance of undertaking a transaction.

Samworth Brothers does not set targets around effective tax rates, and remuneration policies are not linked to the after-tax results of the business.

External advice is sought as appropriate to ensure that the Group complies fully with its UK tax obligations.

Working with HMRC

Samworth Brothers is open and honest in its dealings with HMRC. The Chief Financial Officer and Company Secretary keep HMRC informed of any developments in the business. They offer an annual briefing to review the results of the Group and disclose any significant changes. The Group will continue to work and meet with HMRC on a regular and proactive basis.

Any inadvertent errors are reported to HMRC promptly and with full disclosure.