



Savoy London



## Breezeroad Group – Tax Strategy

*Breezeroad Group – being Breezeroad Limited and its wholly owned subsidiaries, which together own and operate the Savoy Hotel, London.*

This document has been approved by the Board of Breezeroad Group, as at **27<sup>th</sup> May 2022**.

It sets out Breezeroad Group's strategy with respect to conducting its tax matters and approach to tax risk and relates to Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, Pension Surplus Tax and Stamp Duty Land Tax.

This document is available to all Breezeroad Group's stakeholders.

It will be reviewed on a periodic basis, with any subsequent amendments approved by the Board of Breezeroad Group.

This tax strategy was published on 27<sup>th</sup> May 2022 and the Breezeroad Group regards this publication as complying with its duty under paragraph 16(2) of Schedule 19 to the Finance Act 2016 in its financial year ending 31 December 2022.

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## Approach to risk management and governance arrangements

- Breezeroad Group regularly monitors its approach to tax risk management, seeking advice from professional service providers to assess such risks so that management may conclude appropriately.
- To assist the decision-making process, appropriate evidence is documented.
- The full Board is involved in all significant transactions and informed of their associated tax implications. It then takes a decision in accordance with this tax strategy.
- The ultimate responsibility for the tax strategy and compliance lies with the Board and the executive responsibility is delegated to the Finance Director who then reports back to Board.
- The Hotel Management Agent, Accor's internal audit function is responsible for monitoring and reporting on the integrity of financial reporting systems, internal controls and risk management frameworks that are integral to elements relating to taxation.
- To ensure that the Group remains tax compliant the annual corporate tax returns are prepared by external tax advisers.
- PAYE returns are prepared internally and submitted to HMRC monthly. And subsequent payments made.
- With respect to VAT, this is prepared and reviewed internally and then submitted to HMRC on a quarterly basis with monthly payments made.
- All members involved in the Group's tax compliance attend regular trainings to ensure they remain up to date.

## Approach to risk management and governance arrangements (cont.)

- To reduce the level of tax risk from its operations the Group has a tax governance framework in place alongside monitoring processes, applying reasonable care in relation to all processes which could materially affect compliance with tax obligations, assigning process owners for various taxes who carry out reviews of activities and processes and monitor them in the context of legislative and business changes.

## Attitude to tax planning

- Breezeroad Group is committed to observing all applicable laws, rules, reporting and disclosure requirements.
- As such, Breezeroad Group takes an approach whereby tax planning does not come before business purpose, the commercial goals are taken into account and the Group does not undertake tax planning unrelated to commercial decisions / transactions.
- Should those commercial decisions enable tax incentives, reliefs or exemptions to be obtained, the Breezeroad Group would look to utilise those in line with the spirit, and legal position, of the UK tax legislation.
- Breezeroad Group does not undertake aggressive tax planning arrangements.
- Such tax approaches are always reviewed and confirmed by an external tax adviser.

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## The level of risk in relation to UK taxation that it is prepared to accept

- Breezeroad Group seeks to have certainty in its UK tax affairs by complying with its regulatory and other obligations to the greatest extent possible.
- In the case of a dispute, Breezeroad Group would aim to actively engage with HMRC as soon as possible to efficiently resolve the disputed items.
- The level of risk acceptable to the Group is consistent with the Group's aims and the Group manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax at the right time.
- The Board / Directors are ultimately responsible for identifying tax risks and issues which need to be addressed and determining the actions to manage them. Such tax risks and issues are identified based on parameters of materiality and nature of the obligations in question.

## Its approach to dealing with HMRC

- Breezeroad Group welcomes open and transparent discussions with HMRC. In particular, but not limited to, the Group commits to:
  - Where applicable, enter into early discussions with HMRC to explain, and reach agreement upon, future tax planning and/or pricing arrangements in order to achieve certainty where possible;
  - Keep HMRC aware of any significant developments and transactions involving the UK business;

## Its approach to dealing with HMRC (cont.)

- Disclose all relevant facts and circumstances on its corporation tax returns that it considers necessary for HMRC to have a full understanding of any applicable development and/or transaction involving the UK business;
- Promptly address any inadvertent errors by making voluntary disclosures to HMRC;
- Respond to queries and information requests in a timely fashion; and
- Work actively with HMRC to promptly resolve any queries that may arise;
- Breezeroad Group supports the OECD's BEPS initiative, and the incorporation of the action points that the UK sees as relevant into its law, to increase transparency of multinational companies' activities.

## Entities covered by this strategy

- In accordance with paragraph 22 of Schedule 19 to the Finance Act 2016, this strategy applies to the following entities:
  - Breezeroad Limited;
  - Dunwilco (1847) Limited;
  - Dunwilco (1783) Limited;
  - Dunwilco (1784) Limited;
  - The Savoy Hotel Limited; and
  - Simpson's-In-The-Strand (348446) Limited.