Caroola Accountancy Limited Tax Strategy

Financial Year Ending 31 October 2026

This document sets out Caroola Accountancy Limited's approach to tax governance, tax risk management, tax planning and engagement with HM Revenue & Customs.

The Company is committed to maintaining high standards of compliance, integrity and transparency in all tax matters and seeks to ensure that taxes are managed responsibly and in accordance with applicable legislation and regulatory expectations.

This strategy has been approved by the Executive Leadership Team and is published in accordance with the requirements of Schedule 19 Finance Act 2016.

Caroola Accountancy is committed to:

- Complying with all applicable tax laws, regulations and reporting obligations.
- Maintaining an open, honest and professional relationship with HMRC.
- Applying diligence, care and appropriate governance to all tax-related activities.
- Managing tax risks in a responsible and proportionate manner.
- Utilising reliefs, incentives and allowances only where they are available and intended by legislation.
- Acting in a manner consistent with both the spirit and the letter of tax law.

Our Approach to Tax Governance

Responsibility for tax governance rests with the Executive Leadership Team.

Day-to-day responsibility for managing the Company's tax affairs is delegated to appropriately qualified finance and accounting personnel, supported by specialist external advisers where necessary.

The Company maintains appropriate systems, processes and controls designed to:

- Ensure tax filings are accurate and submitted on time.
- Identify and manage tax risks.
- Maintain clear lines of responsibility and accountability.
- Ensure tax positions adopted are supported by legislation and evidence.
- Promote compliance with all applicable tax obligations.

Tax matters are considered within the wider governance and risk management framework of the business.

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Caroola Accountancy Limited
Company number: 06277058
Registered office: 840 Ibis Court,
Centre Park, Warrington, Cheshire, WA1 1RL
(Registered in England and Wales).

Tax Risk Management

Caroola Accountancy maintains a low appetite for tax risk.

The Company seeks certainty in its tax affairs and aims to minimise the risk of error through appropriate controls, processes and professional oversight.

Managing tax affairs inevitably involves areas of judgement and interpretation. Whilst it is not possible to eliminate all tax risk entirely, the Company seeks to identify, assess and manage risks in a proportionate manner.

When reviewing tax risks, consideration is given to:

- The applicable legislation and guidance.
- The commercial substance of transactions.
- The legal and fiduciary duties of directors.
- Internal policies and procedures.
- Financial exposure.
- The Company's reputation and values.
- The expectations of clients, regulators and other stakeholders.

Where there is uncertainty regarding the interpretation or application of tax legislation, Caroola Accountancy may seek external professional advice or engage directly with HMRC where appropriate.

Tax Planning

Caroola Accountancy's approach to tax planning is aligned with the commercial needs of the business and the services we provide.

We seek to ensure that tax consequences are properly understood when making business decisions and that our affairs are managed efficiently within the framework of applicable legislation.

The Company:

- Does not enter into artificial arrangements designed solely to obtain tax advantages.
- Does not use tax structures that are inconsistent with the underlying commercial reality of transactions.
- Does not seek to exploit unintended loopholes within legislation.
- Does not utilise offshore structures or tax havens for the purpose of reducing UK tax liabilities.

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Where tax legislation provides legitimate reliefs, exemptions or incentives, we may utilise them where appropriate and where doing so is consistent with both the intent and the requirements of the legislation.

Professional Standards

As a provider of accountancy and tax services, Caroola Accountancy is committed to maintaining the highest professional and ethical standards.

We support and adhere to the principles contained within:

- HMRC's Standard for Agents.
- Professional Conduct in Relation to Taxation (PCRT).
- Relevant professional, regulatory and legislative requirements.
- Our own internal governance and compliance framework.

We expect our employees to act honestly, professionally and responsibly when dealing with tax matters on behalf of both the business and our clients.

Tax is considered as part of commercial decision-making rather than as a driver of decision-making.

Relationship with HMRC

Caroola Accountancy is committed to maintaining an open, collaborative and professional relationship with HMRC.

We aim to:

- Make fair, accurate and timely disclosures in all returns, filings and correspondence.
- Respond to HMRC requests and enquiries promptly.
- Address areas of uncertainty transparently.
- Resolve issues and disagreements constructively where possible.
- Engage with HMRC in a professional, courteous and cooperative manner.

Where differences of interpretation arise, we seek to resolve matters through open discussion and evidence-based analysis.

We believe that maintaining a transparent and cooperative approach supports both effective tax administration and good governance.

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Technology and Digital Compliance

Caroola Accountancy supports the use of technology and digital record keeping to improve tax compliance and reduce the risk of error.

We seek to:

- Maintain appropriate systems and controls.
- Support digital reporting requirements.
- Promote accurate record keeping.
- Continuously improve internal processes.
- Monitor regulatory and technological developments that may affect tax compliance.

Review and Approval

This strategy is reviewed periodically to ensure it remains appropriate, reflects changes in legislation and business activities, and continues to support effective tax governance.

Responsibility for monitoring and reviewing this strategy rests with the Executive Leadership Team.

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