

## **MJ GLEESON PLC TAX STRATEGY**

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### **Scope**

This strategy applies to MJ Gleeson plc and to the group of companies headed by MJ Gleeson plc in accordance with Schedule 19 to the Finance Act 2016. A list of the entities to which it applies is set out below. In this strategy, references to 'MJ Gleeson plc' or 'the Group' are to all these entities. This tax strategy was published on 4<sup>th</sup> November 2019 and MJ Gleeson plc regards this publication as complying with its duty under paragraph 16(2) Schedule 19 FA 2016 in its financial year ending June 2020.

This strategy applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

### **Aim**

MJ Gleeson plc is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The Group's tax affairs are managed in a way which takes into account the Group's wider corporate reputation in line with MJ Gleeson plc's overall high standards of governance.

### **Governance in relation to UK taxation**

- Ultimate responsibility for MJ Gleeson plc's tax strategy and compliance rests with the Board of MJ Gleeson plc;
- Executive management of the Group's tax affairs is delegated by the Board to the Chief Financial Officer;
- The Audit Committee is required to monitor the effectiveness of the Group's financial reporting system, internal controls and risk management framework including those elements relating to taxation;
- The Chief Financial Officer ('CFO') is the Board member with executive responsibility for tax matters;
- Day-to-day management of MJ Gleeson plc's tax affairs is delegated to the Group Financial Controller, who reports to the CFO;
- The MJ Gleeson plc finance team is staffed with appropriately qualified individuals;
- The Board ensures that MJ Gleeson plc's tax strategy is one of the factors considered in all investments and significant business decisions taken;
- The CFO reports to the Audit Committee and the Board on MJ Gleeson plc's tax affairs and risks during the year.

### **Risk Management**

- The Group operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the Group's financial reporting system;

- MJ Gleeson plc seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations;
- Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required;
- Appropriate training is carried out for staff outside the finance team who manage or process matters which have tax implications;
- Advice is sought from external advisers where appropriate.

### **Attitude towards tax planning and level of risk**

MJ Gleeson plc manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, the Group seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. MJ Gleeson plc does not undertake tax planning unrelated to such commercial transactions.

The level of risk which MJ Gleeson plc accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs. At all times the Group seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

### **Relationship with HMRC**

MJ Gleeson plc seeks to have a transparent and constructive relationship with HMRC through regular meetings and communication in respect of developments in MJ Gleeson plc's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

MJ Gleeson plc ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, MJ Gleeson plc discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

### **List of entities covered by this Tax Strategy**

MJ Gleeson plc  
 Gleeson Developments Limited  
 Gleeson Regeneration Limited  
 Gleeson Developments (North East) Limited  
 Gleeson Strategic Land Limited  
 Gleeson Strategic Land (Fleet) Limited  
 MJ Gleeson Group Limited  
 Gleeson Construction Services Limited