

# Grant Thornton

## Who we are

2022



A low-angle, upward-looking photograph of several modern skyscrapers with glass facades, set against a clear blue sky. The buildings are arranged in a circular pattern around the center, creating a sense of height and architectural grandeur. The lighting suggests late afternoon or early morning, with some windows reflecting the sky and others showing interior lights.

Grant Thornton UK LLP is the UK member firm of a global network of independent advisory, tax, and audit firms. We go beyond business as usual. We make business more personal by investing in building relationships.

We work at a pace that matters to businesses bringing both flexibility and rigour. We celebrate fresh thinking and diverse perspectives to bring about positive progress. We combine global scale with local insight and understanding. In the UK, we are led by over 200 partners and 5,000 people. Together, the global network adds up to 62,000 people in over 130 countries.

### Scope

We have always supported the creation of a simple, transparent tax regime that is applied consistently. The publication of our tax strategy is fully aligned with our view of the benefits widespread transparency brings to our society.

This tax strategy applies to Grant Thornton UK LLP and the group of UK companies and LLPs primarily held through its wholly owned subsidiary Grant Thornton Acquisitions No. 2 Limited. This tax strategy is in respect of the period from 1 January 2022 to 31 December 2022 covering the period from our last published tax strategy. The publication of the strategy is regarded as complying with our duty under paragraph 22(2) and paragraph 25(1) of Schedule 19 to the Finance Act 2016.

### The approach to risk management and governance arrangements

- a Ultimate responsibility to determine and implement our approach to risk management and governance arrangements in relation to UK taxation rests with our Strategic Leadership Team (SLT), which runs the firm as an executive function, with oversight from the Partnership Governance Board (PGB) (known formerly as the Partnership Oversight Board (POB)). The PGB provides governance over the SLT on behalf of the members (the 'partners') and other stakeholders. The CEO is empowered to appoint the SLT members.
- b The SLT communicates regularly with the partners, employees and stakeholders on a wide range of issues including strategy implementation, professionalism and quality, current developments, inclusion and diversity and the firm's values in action.
- c Since September 2019, the management of the firm has been aligned to the service lines. The Tax service line has been led by Karen Campbell-Williams, Head of Tax, since that time.
- d The Head of Tax is a member of the SLT and is responsible for driving quality and risk management processes across all tax offerings provided by Grant Thornton UK LLP. The Head of Tax is supported by the Tax Leadership Team (TLT) and the Tax Risk Committee (TRC) in the overall running and operation of our tax business. The TLT is made up of 4 regional heads who each have responsibility for supporting the Head of Tax on a separate area of our business – quality, talent, markets, and finance/operations – in addition to their regional roles. This regional structure will be revised from 1 January 2023 with a move to 3 national business units.
- e We are a responsible and sustainable business that maintains the highest standards of legal, ethical, social, and environmental conduct, and complies with all applicable laws and regulations in all the countries in which we operate. We work to make a positive contribution to ethical business practices, improve the quality of life, promote inclusion and diversity amongst our workforce and protect the environment and expect the Third Parties we work with to do the same. Our [Third party code of conduct](#) requires any Third Parties wishing to provide goods and services to us to confirm that they comply fully with all relevant laws and regulations including those in relation to taxation and sets out the minimum standards of behaviour we expect. The firm's policy is that risk-based Client Due Diligence is applied to all Third Parties and our client acceptance and continuation processes specifically address consideration of the clients we want to work with.

### Attitude towards tax planning<sup>1</sup>

Our tax professionals are required to act with integrity and to inspire others to do so. [Our Code of Conduct](#) and our Tax service principles govern how we manage the tax affairs of Grant Thornton UK LLP and its clients and the principles the firm's partners and people should abide by. We believe that paying the right amount of tax is part of building sustainable growth for us, our clients and wider society and we fully comply with the applicable legal and regulatory requirements in the areas in which we operate.

We adhere strictly to the HMRC Standard for Agents as well as the ICAEW and CIOT 'Professional Conduct in Relation to Taxation' in advising clients and also in arranging our own tax affairs.

Whilst we do seek tax reliefs in accordance with the applicable tax legislation, our tax affairs are managed and controlled in a way which ensures that we do not engage or advise clients to engage in artificial transactions or transactions that lack commercial substance. We also fully consider the impact our actions may have on our brand, our relationship with key stakeholders, such as the tax authorities, and the wider community.

<sup>1</sup> So far as affecting UK taxation



### The level of risk in relation to UK taxation

Due to the scale of our business, risks will always be present as a result of our activities, particularly considering the complexity of the tax legislation. To minimise such risks, we have a focused approach to quality and risk and there are robust internal processes, which ultimately aim to ensure we remain compliant with all legal and regulatory requirements, including our tax obligations and payments. These processes change from time to time as a result of the evolution of the regulatory environment. As a partnership where all tax liabilities rest with individual partners, a key objective is that the level of uncertainty concerning the firm's tax is kept to a minimum.

Our public interest role is based on trust and transparency - we do not engage in tax planning that will harm the public interest or damage the reputation of the business within the market. We recognise that our reputation is as important to our clients as it is to us.

### Our approach towards our dealings with HM Revenue & Customs (HMRC)

We operate an ethical policy of transparency and full disclosure with HMRC in connection with any tax services that we are engaged to provide for our clients, and we apply the same principle, which is also based on fairness, mutual trust and respect to our own tax affairs. Our aim is to enable a constructive dialogue and engagement by all parties and this relationship is an important part of our commitment to developing our role. Any errors made in submissions to HMRC are corrected and disclosed as soon as practicable after they are identified.

UK tax legislation is complex and, inevitably, there are instances where our understanding of its applicability and Parliament's intent may differ from HMRC's. Whilst we seek to resolve any disputes through an open-minded approach and collaboration with HMRC, we are also prepared to test principles through the Courts when divergence of opinion arises, and we cannot reach agreement on the interpretation of the law.

### Total UK tax contributions for Grant Thornton UK LLP

Our contribution to the UK economy can be seen in our tax figures below (Please note that the figures for 2020-2021 are for the financial year to 31 December; the figures for 2019 are for the 18-month period to 31 December 2019; and the figures for 2016-2018 are for the financial year to 30 June):

	2021	2020	2019*	2018	2017	2016
<b>Taxes borne (£'m)</b>	83.4	65.7	92.9	60.2	62.3	60.9
<b>Taxes collected (£'m)</b>	135.2	120	181.2	111.9	111.7	114.8

\* 18-month period from 1 July 2018 to 31 December 2019.

