

Park Holidays UK Limited Group
Our Approach to the Management of Tax
Financial Year 31 December 2022

This statement has been approved by the Board of Directors (the “Board”) of the Park Holidays UK Limited Group (the “Group”) and endorsed by Sun Communities.

Introduction

The Group understands the positive impact the collection and payment of tax has on the UK economy and is committed to complying with its UK tax obligations.

Our approach to the management of tax is founded upon:

- Complying with all applicable tax laws and regulations;
- Effective governance and control over tax risk;
- Appropriate tax planning; and
- Maintaining an open and constructive relationship with HMRC.

Compliance

Compliance means paying the right amount of tax to the right place at the right time, disclosing all relevant facts and circumstances to HMRC, claiming reliefs and incentives where available and operating in line with the commitments of this statement.

Governance and tax risk management

The Board has overall accountability for the Group’s approach to the management of taxes and delegates day to day responsibility to the CFO. The CFO updates the Board as appropriate on tax matters which enables the Board to:

- track the Group’s compliance status;
- have the necessary oversight over the Group’s tax risks;
- ensure tax decisions are made in line with the Group’s approach to the management of taxes; and
- monitor the Group’s relationship with HMRC.

The Board takes the lead in establishing and maintaining a strong risk management culture, the appropriate governance procedures, and internal controls to ensure compliance with all tax obligations.

Given the scale of the business and the range of taxes that the group must account for, risks inevitably arise from time to time in relation to the interpretation of tax law and the nature of our compliance arrangements.

The Group proactively identifies, manages, and controls its tax risk. The tax risk appetite of the Group is set by the Board, and the Group achieves an acceptable level of tax risk by considering transactions on a case-by-case basis and, where uncertainty exists or the position is complex, it will seek appropriate advice.

Tax planning

The Group will undertake tax planning where it contributes to the achievement of its strategic goals and allows it to manage its commercial affairs in a tax efficient manner. It will only undertake transactions that are consistent with its high professional standards. Any tax position adopted will:

- be consistent with the intentions of parliament and be within the ‘spirit of the law;’
- support genuine, commercial activity and not be structured in a way such that the tax results are inconsistent with the underlying economic consequences; and
- seek to minimise the risk of disputes with HMRC.

The Group may take advantage of available tax reliefs and incentives but will do so only for the purposes for which they were intended.

Tax can be complex, and the Group recognises this. It solicits and implements independent, third-party advice in tax matters of material uncertainty and/or complexity.

Our relationship with HMRC

The Group maintains an open and transparent relationship with HMRC and engages with integrity and in the spirit of co-operative compliance.

We recognise that there can be areas of differing legal interpretation, and where this occurs, we will seek to engage in proactive discussions with HMRC to bring matters to an appropriate resolution. However, we are prepared to litigate where we disagree with HMRC’s decision, and no resolution can be found through an active and transparent discussion.

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The publication of this strategy statement is regarded as satisfying the statutory obligation under Para 16(2), Schedule 19, Finance Act 2016 for the Group.