



# Ecology **Building Society**

## **Taxation Compliance**

### **Policy**

**Approved by the Board January 2020**

**Issue 3**

## Amendment Control Sheet

This policy is owned by the Finance Director and is to be reviewed on a **biennial** basis in accordance with Schedule 9 of the Governance Manual, assessed by the Risk, Audit, Compliance and Ethics Committee and recommended for approval to the Board.

### Version

Issue No.	Subject	Amended by:	Date:
1.0	Initial Issue	Initial Issue	29 Jan 16
2.0	No changes – review by RACE in December and then to Board for approval January 2018	PW	27 Nov 17
3.0	Review period amended to biennial in the opening paragraph to align with Schedule 9 of the Governance Manual. Review by RACE December 2019 for approval by Board January 2020.	ALC	8 Nov 19

### Approval

Approved by: Board

Date: 31 January 2020



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## 1. Introduction

The Society is committed to paying all the taxes that it owes in accordance with the spirit of all tax laws that apply to our operations. The Society believes that paying our taxes in this way is the clearest indication we can give of our being responsible participants in society.

## 2. Payment of Taxes

The Society will fulfil our commitment to paying the appropriate taxes that we owe by seeking to pay the right amount of tax (but no more), at the right rate, in the right place and at the right time. The Society aims to do this by ensuring that we report our tax affairs in ways that reflect the economic reality of the transactions the Society actually undertakes in the course of our business.

### 2.1 Transactions Designed to Secure Advantageous Tax Outcomes

The Society will never seek to use those options made available in tax law or the allowances and reliefs that it provides in ways that are contrary to the spirit of the law. Nor will the Society undertake specific transactions with the sole or main aim of securing tax advantages that would otherwise not be available to us based on the reality of the trade that we undertake. As a result the Society will never undertake transactions that would require notification to HM Revenue & Customs under the Disclosure of Tax Avoidance Schemes Regulations or participate in any arrangement to which it might be reasonable to expect that the UK's General Anti-Abuse Rule might apply.

### 2.2 Use of Tax Havens

The Society believes tax havens undermine the UK's tax system. As a result, the Society will not make use of those countries considered tax havens in order to secure a tax advantage, nor will we take advantage of the secrecy that many such jurisdictions provide for transactions recorded within them.

## 3. Annual Accounts

The Society reviews its compliance with the Taxation Compliance Policy with the support of our external auditors when preparing our Annual Accounts. The Society's accounts will be prepared in compliance with this Policy and will seek to provide information that users, including HM Revenue & Customs, might need to properly appraise our tax position.

The annual accounts will be approved by the Board and be presented at our Annual General Meeting, published on the public area of our website and submitted to our regulator.

## 4. HM Revenue & Customs and Auditors

The Society will maintain an open and transparent relationship with HM Revenue & Customs and our auditors. This will be achieved through being open about our affairs and proactively communicating with HM Revenues & Customs on those issues we reasonably believe they would want to be aware of.

The Society will also work with our auditors in an open and transparent manner to ensure the Society can adequately demonstrate compliance with taxation laws and regulations.