

# Zen-Noh International Europe Ltd

## Tax Strategy

### Introduction

Zen-Noh, National Federation of Agricultural Co-operative Associations, is a federation of agricultural cooperatives in Japan. The UK sub-group of Zen-Noh is headed up by Zen-Noh International Europe Ltd.

This document, approved by the Board of Zen-Noh International Europe Ltd, sets out the tax strategy of the UK sub-group and their approach to conducting its tax affairs and dealing with tax risks for the year ended 31 March 2017. This document will remain in effect until superseded.

The UK sub-group consists of the following entities:

- Zen-Noh International Europe Ltd
- Zen-Noh Restaurant London Ltd
- SFG Holdings Ltd
- Scotch Frost of Glasgow Ltd

The above will be known collectively as the UK Group.

This tax strategy applies to all UK taxes payable by the UK Group and includes Income Tax, Corporation Tax, PAYE, NIC and VAT. References to taxes includes UK taxation and to all corresponding worldwide taxes for which the UK Group has legal responsibilities for.

### Tax Strategy

The UK Group is committed to;

- Follow all applicable laws and regulations relating to its tax activities.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.
- Ensuring that the tax strategy is consistent with the worldwide group's overall strategy.
- Applying diligence and care in our management of tax risks, and ensuring that our tax governance is appropriate.

### Tax Compliance & Governance

The UK Group is committed to complying with tax law in the UK and worldwide tax authorities. The UK Group ensures that the correct amount of tax is paid at the right time and in the correct location. All taxable income is taxed accordingly and only allowable reliefs are claimed in line with prevailing tax rules. All appropriate disclosure are made as required by law.

A dedicated Finance Team ensure all compliance is completed on time and where guidance is required it is sought from external professional advisers. There are clear lines of responsibility which are subject

to regular monitoring and review by members of the Finance Team. The Board has overall responsibility for tax compliance and tax governance within the UK Group.

### **Risk Management**

Tax risks facing the UK Group are assessed on a case by case basis as and when they appear. The UK Group ensures that any tax risks are minimised and any decision making process is carried out after the appropriate due diligence has been completed. Where there is uncertainty surrounding the tax treatment external advice is sought.

When reviewing the tax risks, the UK Group ensures that the following are considered: -

- The legal and fiduciary duties of directors and employees.
- The requirements of any of the worldwide group's policies or procedures.
- The maintenance of the UK Group's and the wider worldwide corporate reputation, having particular regard to the way we interact with the communities around us.

### **Tax Planning**

When the UK Group structures its commercial activities they will consider, in addition to other commercial factors, the tax implications of such decisions. The UK Group will not engage in tax planning if the underlying commercial objectives and rationale do not support the position or if the arrangements impact upon the UK Group's reputation, brand or future working relationship with HMRC.

If legislative guidance is unclear the UK group will seek expert advice thereon to assist them in their decision making process. This is in accordance with the overall group approach to risk management.

### **Relationship with HMRC**

The UK Group seeks to have an open, honest, transparent relationship with HMRC. It is committed to the following which is in line with legislative expectations:

- Adopt open and collaborative professional relationships at all times with HMRC.
- Engage in full, open and early dialogue with HMRC to discuss tax planning, strategy, risks and significant transactions.
- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion.
- Seek to resolve issues with HMRC in real time and before returns are filed if possible, and where disagreements arise work with HMRC to resolve issues by agreement where possible.
- Be open and transparent about decision-making, governance and tax planning.
- Reasonably believe that transactions are structured to give a tax result which is not inconsistent with the economic consequences (unless specific legislation anticipates that result), nor contrary to the intentions of Parliament.
- Interpret the relevant laws in a reasonable way, and ensure transactions are structured consistently with a co-operative relationship.