

# UK Tax Strategy for Liquid Friday Limited

**Effective Date:** 22<sup>nd</sup> November 2024

**Last Reviewed:** 22<sup>nd</sup> November 2024

This document sets out Liquid Friday Limited's approach to corporate tax matters in compliance with UK tax legislation. As a professional services company operating within the UK, we are committed to maintaining robust tax governance, ensuring compliance with all statutory requirements, and engaging transparently with HMRC.

This strategy is prepared and published in accordance with Schedule 19 of the Finance Act 2016 and covers all connected business within the Liquid Friday group.

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## 1. Introduction

At Liquid Friday Limited, we recognise the importance of responsible tax management as a fundamental part of good corporate governance. Our approach to tax reflects our commitment to acting ethically, meeting our obligations, and aligning our tax practices with our broader business values.

This strategy applies to all UK taxes relevant to Liquid Friday Limited, including Corporation Tax, Income Tax, National Insurance Contributions (NIC), Value Added Tax (VAT) and amounts for which the company is accountable under PAYE regulations.

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## 2. Tax Objectives

Liquid Friday Limited's tax strategy is guided by the following key objectives:

- 1. Full Compliance:** Ensuring all tax filings and payments are completed accurately and within required deadlines.
  - 2. Transparency:** Establishing and maintaining an open, collaborative relationship with HMRC.
  - 3. Effective Risk Management:** Identifying, assessing, and mitigating tax-related risks in line with our business risk appetite.
  - 4. Commercial Alignment:** Structuring tax arrangements to support sustainable business growth and reflect genuine economic activity.
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## 3. Governance and Responsibility

Tax governance is embedded in Liquid Friday Limited's overall risk management framework. Roles and responsibilities for managing tax matters are clearly defined as follows:

- Board of Directors:** Holds ultimate accountability for the oversight of the tax strategy and its implementation.

- **Finance Team:** Responsible for managing the day-to-day operations of tax compliance, including the preparation and submission of tax returns, and ensuring adherence to statutory deadlines.
- **External Tax Advisors:** Engaged to provide expert advice and support on complex tax issues and compliance requirements.

Regular reporting on tax matters is provided to the Board to ensure effective oversight and decision-making.

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#### 4. Approach to Tax Planning

Liquid Friday Limited takes a prudent approach to tax planning, ensuring all tax positions are aligned with our commercial activities and comply with both the letter and spirit of UK tax laws. Our principles include:

- **Ethical Conduct:** Avoiding artificial or aggressive tax arrangements that could harm our reputation.
  - **Utilisation of Reliefs and Incentives:** Responsibly using government-approved tax reliefs, incentives, and exemptions to enhance business efficiency.
  - **Professional Guidance:** Consulting with external advisors to ensure all tax arrangements are sound, compliant, and sustainable.
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#### 5. Tax Risk Management

Managing tax risk is an integral part of our governance framework. Our risk management approach includes:

- **Regular Assessments:** Conducting periodic reviews of our tax compliance processes to identify and mitigate potential risks.
  - **Low Risk Appetite:** Maintaining a cautious stance on tax risks, avoiding positions that could result in disputes or reputational damage.
  - **Proactive Mitigation:** Seeking expert advice on areas of uncertainty and addressing potential risks before they arise.
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#### 6. Relationship with HMRC

Liquid Friday Limited is committed to maintaining an open and constructive relationship with HMRC. Our approach includes:

- **Transparency:** Proactively disclosing significant tax matters and uncertainties to HMRC.
- **Prompt Communication:** Responding to HMRC queries and correspondence in a timely and professional manner.
- **Dispute Resolution:** Working collaboratively with HMRC to resolve disputes, while upholding our position on matters of principle where appropriate.

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## **7. Monitoring and Review**

This tax strategy is reviewed annually and updated as necessary to reflect any changes in our business, tax laws, or the regulatory environment. Any significant amendments are approved by the Board of Directors and communicated to stakeholders as appropriate.

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## **8. Publication**

This Corporate Tax Strategy is published in compliance with Schedule 19 of the Finance Act 2016 and is made publicly available on our website to demonstrate our commitment to responsible tax management.

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## **Contact Information**

For further information regarding this Corporate Tax Strategy, please contact:

**Finance Team**

**Liquid Friday Limited**

[accounts@liquidfriday.co.uk](mailto:accounts@liquidfriday.co.uk)

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**Approved by:**

**Joseph Taffurelli, Chief Operating Officer**

**22<sup>nd</sup> November 2024**

This strategy reaffirms Liquid Friday Limited's commitment to ethical, compliant, and responsible tax practices as part of our wider corporate responsibilities. Our published tax strategy applies to all UK companies of the Liquid Friday group and covers all relevant UK taxes in accordance with paragraph 15(1), Schedule 19 of Finance Act 2016.