

Alliance Automotive Group UK (“AAGUK”) tax strategy

AA UK is committed to complying with tax laws in a responsible manner and to having open and constructive relationships with tax authorities.

This strategy applies to AA UK and to the group of UK companies headed by GPC Europe Automotive Group Limited in accordance with paragraphs 19 and 25 of Schedule 19 to the Finance Act 2016. A list of the entities to which it applies is set out below. In this strategy, references to ‘AAGUK’ or ‘the Group’ are to all these entities. The strategy has been published in accordance with paragraph 16(4) of the Schedule by being included in AA UK’s annual report.

This strategy applies from the date of publication until it is superseded. References to ‘UK Taxation’ are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to ‘tax’, ‘taxes’ or ‘taxation’ are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which AAGUK has legal responsibilities.

Aim

AAGUK is committed to full compliance with all statutory obligations and full disclosure to tax authorities. The Group’s tax affairs are managed in a way which takes into account the Group’s wider corporate reputation in line with AAGUK’s overall high standards of governance.

Governance in relation to UK taxation

- Ultimate responsibility for AAGUK’s tax strategy and compliance rests with the Board of AAGUK
- Executive management of the group is delegated by the Board to the Executive Committee (‘EXECOM’)
- The Finance Director (‘FD’) is the EXECOM member with executive responsibility for tax matters;
- Day-to-day management of AAGUK’s tax affairs is delegated to the finance team, who report to the FD
- The finance team is staffed with appropriately qualified individuals
- The Board and EXECOM ensure that AAGUK’s tax strategy is one of the factors considered in all investments and significant business decisions taken

Risk Management

- AAGUK seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations
- Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required

Attitude towards tax planning and level of risk

AAGUK manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, AAGUK seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. AA UK does not undertake tax planning unrelated to such commercial transactions.

The level of risk which AAGUK accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs. At all times AAGUK seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

Relationship with HMRC

AAGUK seeks to have a transparent and constructive relationship with HMRC.

When submitting tax computations and returns to HMRC, AA UK discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

Country by country reporting

The UK Government adopted the OECD's Base Erosion and Profit Shifting recommendations requiring multinationals to submit country by country tax reports to tax authorities. We will comply with this obligation for the year ending 31 December 2017.

List of entities covered by this Tax Strategy

Alliance Automotive UK Limited

Alliance Automotive Procurement Limited

Alize Topco Limited

Alize Lower Topco Limited

Alliance Automotive Finance plc

Alliance Automotive Holding Ltd

Alliance Automotive Investments Ltd

Group Auto Union UK & Ireland Limited

Alliance Automotive UK LV Limited

Alliance Automotive UK CV Limited

Dorset Auto Spares Limited

DAS Auto Trading Limited
United Aftermarket Network Limited
FPS Distribution Limited
Ferraris Piston Service Limited
Apec Limited
BTN Turbo Charger Service Limited
Turboparts Limited
Turbotune Limited
UAN (Rebates & Marketing)
HKF Group Limited
Manchester Motor Factors Limited
Luton Motor Factors Limited
Frenco Service Replacements Limited
Braymarc Commercial Components Limited
Fitting Partner Group Ltd
Hamsard 2666
H S Atec Limited
Dunmow Motor Factors Limited
Multitruck Components Limited
Unifactor Autoparts Ltd
KG Motaquip Limited
Mill Auto Supplies Limited
Autoquip Factors Limited
CV Parts Limited
AMC (North East) Limited
Cargo Motor Factors Limited
Auto Battery Services Limited
Southern Motor Factors Limited
SMF Enterprises Limited
Havant Motor Factors (Tarnley Limited)
Kingswood Autopart Limited

Abbey Motor Factors Limited
LDS Motor Factors Limited
Garage & Engineering Supplies Limited
Autocol Limited
Prime Motor Factors Limited
Alliance Automotive UK Refinish Limited
ATS Roadfox Limited
The FSG Bureau Limited
Page's Motor Accessories Limited
Trafford Brake Services (St Helens) Limited
Motor Serv Limited
Transco Motor Factors (Nottm) Limited
Universal Auto Spares Limited
A to Z Autoparts Limited
Allpaints Limited
Allpaints (Ashford) Limited
Davmac Spares Limited
Jim Barrow Motor Factors Limited
Huntingdon Motor Factors Limited
Big Wheels Services Limited
Ffrench & Talbot Limited
B J Marshall (Eastbourne) Limited
C T Autoparts Limited
Motex Automotive Distribution Limited
Industrial Friction Services Limited
CAT Automotive Limited
Manchester Motor Factors Limited