

Epworth Investment Management Limited

Taxation policy

Epworth Investment Management Limited (Epworth) considers taxation to be an important contribution to wider society rather than a cost to be minimised. It seeks to pay the right amount of tax at the right time and in the right place, according to the letter and the spirit of the law in each country in which it operates.

It will take into consideration all stakeholders when tax planning, including consumers, investors, our staff and the governments and communities in the countries in which it operates.

It will not structure transactions in a way that does not reflect genuine commercial activity, with the intention of reducing a tax liability.

Epworth will not have any connections with tax havens unless it is necessary for the purposes of trading within those jurisdictions.

It will be open and fair in our negotiations with HM Revenue & Customs and any other tax authorities we deal with, and will seek to discuss with them in advance how any significant transactions whose tax treatment is open to interpretation should be treated for tax purposes.

Epworth will not use marketed tax avoidance schemes or arrangements that fall foul of current regulations.

Epworth will be open and transparent in its lobbying on taxation matters and will not seek to influence governmental tax legislation in any way that is detrimental to its stakeholders' best interests.

Epworth will monitor compliance with this policy on a regular basis and report on that compliance in our annual reports in future.

June 2020



Additional Tax Information for Epworth Investment Management Limited (Year Ended 28 February 2023)

This additional tax information ensures that Epworth Investment Management Limited (“the Company”) meets the standards and requirements of the Fair Tax Foundation’s Solely UK-based Business Standard for the Fair Tax Mark certification.

The loss on ordinary activities before taxation for the year ended 28 February 2023 was £261,400, while the accounting tax charge for the year was £nil.

The expected current tax credit for the year at UK headline tax rate of 19.0% was £49,700. The reason that the actual current tax charge for the Company varies from what would be expected is explained below in the following tax reconciliation with accompanying narratives:

Statement of Comprehensive Income

| | 28-Feb-23 |
|--|----------------|
| | £'000 |
| Turnover | 1,806.0 |
| Administrative expenses | (2,067.4) |
| Loss on ordinary activities before taxation | (261.4) |
| Taxation | - |
| Loss for the financial year | (261.4) |

Tax Reconciliation

| | |
|---|---------------|
| Loss on ordinary activities before taxation | (261.4) |
| Expected tax credit (19.0%) | (49.7) |
| Trading losses carried forward* | 49.7 |
| Current tax charge per accounts | - |

***Trading losses carried forward** – Tax losses can be carried forward and relieved against future profits, so that the correct amount of tax is applied to the overall historic profits generated, and not just for that period. Once the tax losses have all been used, tax will then become chargeable on the profits generated thereafter.

After the balance sheet date, the final corporation tax return has been submitted. A small proportion of the trading loss for year ended 28 February 2023 has now been carried back to offset against the previous year’s trading profit (generating a tax refund of £341), while all remaining trading losses have been carried forward for future use.

Deferred Tax

Deferred taxation is an accounting concept which seeks to match taxes to the period when the income or expenses are recognised for accounting purposes. It does this by shifting the tax expense from the year the tax is paid (or tax deduction received) to the years in which the income or expenditure is recognised in the financial statements.

As at 28 February 2023, the Company had no deferred tax assets or liabilities on its Statement of Financial Position; and had no movements in deferred tax expensed or credited to the Statement of Comprehensive Income during the year.