Castell Howell Foods Ltd
Cross Hands Food Park
Cross Hands
LLANELLI
Carmarthenshire
SA14 6SX
TEL 01269 846060
FAX 01269 846070

Castell Howell Foods Limited – Tax Strategy

Overview

Established in 1988, Castell Howell Foods Limited, ("the company"), is the largest independent food wholesaler in Wales. Headquartered in Cross Hands, Carmarthenshire, the company employs more than 900 people and centres its values on exceptional customer service and a family-oriented environment that benefits communities across its area of operation.

The company recognises the major part it plays in the community and is dedicated to support its stakeholders, clients, workforce and the environment by aiming to build a sustainable business model which is built to last.

These core principles help shape the company's approach to tax by recognising the need to be open and transparent about its tax affairs.

UK Tax Strategy

This document sets out the company's approach to conducting its tax affairs and dealing with tax risk for the year ending 31 October 2024.

The company takes a conservative approach to tax planning and does not pursue aggressive tax planning arrangements. The company engages with reputable external tax advisors where there is a need for specialised guidance and support.

The company's corporate objectives are to maximise shareholder value while also valuing and respecting the broader community in which it operates. The company takes all aspects of corporate responsibility seriously and acts with honesty and integrity, including in its tax affairs. The company's tax strategy is aligned with its overall corporate ethos and commitment to responsible behaviour and high ethical standards while operating a profitable business for the benefit of its stakeholders.

This tax strategy document has been approved by the Board and is published in accordance with paragraph 19(4) of Schedule 19 of the UK Finance Act 2016.

Risk Management and Governance Arrangements

The company is committed to ensuring that its tax affairs are transparent and compliant with all tax laws applicable in the UK and are in line with international best practices.

Ultimate responsibility for the tax affairs of the company sits with the Board of Directors. The Board of Directors understand the importance of tax compliance and how it is achieved.

The company has an in-house financial team who are responsible for the day-to-day activities and for ensuring tax compliance along with the support of external tax advisors. Tax provisions are prepared early in the year by the financial management team, reviewed and amended as required by external tax advisors before being subject to inspection as part of the audit process.

The company seeks support of external tax advisors for ensuring the company complies, in an accurate and timely manner, with all applicable tax laws and regulations, including:

- filing all mandatory tax returns, reports and disclosures;
- maintenance of the proper records and documentation to support the tax filings;

- utilising, as appropriate, available tax reliefs and incentives. The company will not, however, use such reliefs and incentives for purposes which are knowingly contradictory to the intent of the legislation.

With reference to non-current or extraordinary transactions or operations, the tax consequences and risks are identified by the financial management team or the company's external tax advisors.

The strategy aims to minimise the level of risk which, together with strong internal controls, substantially reduces the tax risk to materially acceptable levels.

Attitude Towards Tax Planning

The company takes a conservative approach to tax planning and does not engage in tax planning arrangements where there is considered to be a risk of challenge by HMRC. The company aims to ensure full disclosure and be transparent about the filing position that it has taken.

The company's tax planning aims to support the commercial needs of the business. External advisers provide appropriate input into business proposals to ensure that there is a clear understanding of the tax consequences of any decisions made.

External tax advice is also sought with respect to areas of complexity or uncertainty in relation to current tax legislation. Advice may also be sought from HMRC directly for assistance in interpretation or application of tax legislation.

Acceptable Level of Risk

The Ultimate Beneficial Owners of the company are its founder and his family. Their culture of creating a family feel and supporting the local community is a key part of the company's principles. This extends to paying the appropriate amount of tax.

Supporting the UK government's policy objective to combat tax evasion therefore matters to us. The company maintains a zero tolerance for tax evasion and continuously strives to enhance their control environment.

The company manages its tax risk in a conservative manner to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

The Company's Approach Towards Dealings with HMRC

The company ensures an open, cooperative, and professional approach in its relationship with HMRC. Whilst the company does not have a specific customer compliance manager, the company ensures it is compliant with all disclosure obligations required by HMRC.

The company is committed to:

- Timely submission of accurate tax computations and returns in compliance with all tax laws and regulations in the UK;

- Making fair, accurate and timely disclosures in correspondence and returns, and responding to queries and information requests in a timely fashion;

- Seeking to resolve issues with HMRC in a timely manner, and where disagreements arise, to work with HMRC to resolve issues by agreement where possible;

- Being open and transparent about decision-making, governance and tax planning;

- Structuring transactions in order 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; and

- Interpreting the relevant laws in a reasonable way and ensuring transactions are structured consistently. Where appropriate, pre transaction clearance from HMRC will be sought.

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The above strategy was reviewed and approved by the Board on 30th July 2025.

JNO Williams

Finance Director

Mr Ryan James

Manager,
St.Martin's depot,