

## SHIRES ACCOUNTANTS PREVENTION OF CRIMINAL TAX EVASION POLICY

This code of conduct summarises the procedures of Shires Accountants and its subsidiaries to ensure all Shire Accountants associated persons, including employees and those acting on our behalf, do not facilitate tax evasion.

### INTRODUCTION

On 30th September 2017 the Criminal Finances Act 2017 (the "Act") came into force, to demonstrate the UK Government's commitment to preventing tax evasion in all its forms.

The UK government believes that companies and partnerships should be criminally liable where they fail to prevent those who act for them, or on their behalf, from criminally facilitating tax evasion. As a result, it has created a new corporate criminal offence of failing to prevent the facilitation of tax evasion.

A Company could face serious prosecution under the Act if it fails to have in place reasonable procedures to prevent the facilitation of tax evasion. Additionally, conviction could have serious consequences for the company's reputation and business relationships.

In the light of Criminal Finances Act 2017, Shires Accountants has adopted this statement as our company's position on anti-facilitation of tax evasion. It is our policy to conduct all of our business dealings in a legal, honest and ethical manner.

The statement governs all our business dealings and the conduct of all persons or organisations who are appointed to act on our behalf.

All our officers, employees, associates and all who have, or seek to have, a business relationship with Shires Accountants and/or any member of our Group, to familiarise themselves with our anti-tax evasion value statement and to act at all times in a way which is consistent with our anti-tax evasion value statement.

### SHIRES ACCOUNTANTS ANTI-TAX EVASION VALUE STATEMENT

Shires Accountants and its subsidiaries (the "Company") has a zero-tolerance approach to all forms of tax evasion, whether under UK law or under the law of any foreign country.

Officers, employees and Associates of the Company must not undertake any transactions which:

- (a) cause the Company to commit a tax evasion offence;
- or
- (b) facilitate a tax evasion offence by a third party who is not an associate of the Company.

Shires Accountants are committed to conducting business professionally and with integrity in all our business dealings and relationships and to implement and enforcing effective measures to counter tax evasion facilitation.

At all times, Shires Accountants will conduct business in a manner incidences of tax evasion are prevented at all times.

## COMPLIANCE WITH THIS POLICY

This policy applies to all persons working for the Company or any subsidiaries of the company or any person acting on our behalf in any capacity, including team members at all levels, directors, officers and Associates and shall including but not be limited to agency workers, volunteers, contractors, external consultants, third-party representatives and business partners or any other person(s) associated with the company, wherever located.

## ACCOUNTABILITY & GOVERNANCE

The Directors of the Company have overall responsibility for ensuring that this policy administered and that all persons working for the company and any associates comply with it.

This policy is adopted by the company, but the company reserves the right vary or withdrawn this policy at any time, at the Company's absolute discretion.

The company directors and persons in management positions are responsible for ensuring that those reporting to them understand and comply with this policy and that they are given adequate and regular training on it.

## EMPLOYEE & ASSOCIATE RESPONSIBILITIES

Our employees and associates have a responsibility to take reasonable action and care to prevent harm to Shire Accountants and the company shall hold any employees or associates accountable for their actions and omissions. Any actions that breach the Criminal Finances Act or any other tax laws will not be tolerated and shall be reported to the authorities.

Employees and associates are responsible for properly following Shire Accountants policies and procedures. If an employee or associate is ever requested by anyone either inside or outside of Shires Accountants to operate outside of the company's standard operating procedures, or should any employee or associate have any concerns relating to any potential breach of the company's standard operating procedures including this policy they must immediately without delay reported to a line manager, as someone may be attempting to evade tax.

## TRAINING & COMMUNICATION

All employees and associates must familiarise themselves with the company's prevention of tax evasion policy and should receive appropriate training to ensure they have the appropriate level of knowledge for their specific roles. Employees and associates should be attentive to the latest internal information regarding prevention of tax evasion.

## RISK ASSESSMENT

Shires Accountants has undertaken risk assessments on its categories of business operations where there may be a risk of tax evasion and have identified areas of risk include:

- Accounts payable
- Accounts receivable
- Payments to employees & associates

Factors that may increase risk include:

- Cash transactions
- Overseas transactions in certain regions
- Improperly vetted customers and suppliers

## ACCOUNTS PAYABLE

- Only contract with suppliers that are of good standing
- Vet all suppliers according to the company's supplier's policy
- Regularly check suppliers' invoices to insure information is correct and as expected.
- Only pay suppliers via a bank account that matches the supplier's details
- Specify in contracts that VAT and other taxes must be added to invoices
- Do not pay suppliers in cash. If cash payments are required for small amounts, ensure they are properly invoiced and a receipt is supplied

## ACCOUNTS RECEIVABLE

- Only process bills through the company's invoices system.
- Ensure all invoices are vatable
- Vet customers and ensure they are of good standing

## EMPLOYEES & ASSOCIATES

- Ensure all wage payments are processed through the company's payroll software
- Any wage payments outside of payroll must be expressly approved, documented and recorded in the company's accounting software
- Deduct tax at source as so required
- Payments to associates are only to be made on production of an appropriate invoice and in accordance with the company's payment terms
- No cash payments should not be made to associates, if there is a requirement to pay cash, invoices and receipts must be present
- Any tax related deductions must be subtracted and recorded

## CLIENTS

- Relationship with clients must be established with honesty, integrity, mutual trust and a commitment to professionalism
- Shires Accountants endeavours to serve clients best interests at all times
- Any actions that breaches tax laws or the Criminal Finances Act is not in the best interest of our clients
- Shires Accountants or any of the company's associates will only provide services and advice to clients that does not breach the Criminal Finances Act, for the company or its client
- We do not support tax evasion and we will not facilitate, or assist our clients to commit tax evasion offences and we will not work with clients who seek to criminally evade taxes

## SUPPLIERS

- Suppliers will be vetted in accordance with the company's supplier's policy
- Shires Accountants will endeavour only to use suppliers who are financially stable and have ethical values
- Periodic checks will be undertaken on suppliers to ensure relevant and correct supplier credentials
- Suppliers will only be paid on the production of an invoice and in accordance with Shires Accountants terms of business
- Payments to suppliers are only be made to a relevant named bank account,
- If there is a requirement to pay cash payment to a supplier, invoices and receipts must be present

## PRINCIPLES

Shires Accountants are committed to the following principles:

- Tax evasion is antithetical to who we are as a company and will not be tolerated in our business and we endeavour to conduct all business in a fair, honestly and ethical manner
- We will endeavour never to sell any product or service where we know or suspect that any aspect of the transaction is being misused, abused or otherwise corrupted for the purposes of tax evasion
- We will never buy any product or service from any supplier where it is known or suspected that any aspect of the transaction is being misused, abused or otherwise corrupted for the purposes of tax evasion
- We will terminate any agreement or business relationship as soon as our company identifies, or suspects tax evasion may be taking place
- We will not engage any business opportunities where there is any suspicion that tax evasion may be involved
- We will not do business with others who do not also hold to at least the same standard of preventing tax evasion

Shires Accountants will regularly monitor and review this policy

- Any employee or associate found to be in breach of this policy will be subject to disciplinary action
- Shires Accountants will not tolerate any associate, business partner, representative or other third party associated with the company failing to uphold this policy

No employee or associate will suffer demotion, penalty, or any other adverse action for reporting any breach of this policy or from refusing to carry out an action which may lead to a breach of this policy