

# PATHE'S UK TAX STRATEGY

## Introduction

The Pathe UK group of companies ('the Group') consists of Pathe Entertainment Limited and its various subsidiaries and associate company. It is wholly owned by Pathe SAS, a private company registered in France.

The Group is involved with the development, financing, production and distribution of cinematic features films in the UK market and internationally.

This strategy applies only to the Pathe's UK companies and is applicable for the year ended 31 December 2017. This tax strategy has been prepared in accordance with Schedule 19 of the UK Finance Act 2016.

## Approach to UK Taxation and Tax Planning

The Group is committed to complying with all relevant tax legislation and ensuring that any tax liabilities are settled on a timely basis. As part of this process, the Group will seek to utilise available tax reliefs to which it is entitled.

The Group is not of sufficient size to warrant the employment of a tax specialist so most tax matters are referred to external advisers.

Significant decisions concerning the Group's business and structure are driven by commercial considerations.

## Tax Risk Management and Attitude to Tax Risk

Ultimate responsibility for the Group's tax affairs rests with the Finance Director. Professional advisors are used to prepare detailed corporation tax computations and provide guidance concerning developments in tax legislation. Tax computations are reviewed and where necessary, interrogated.

The Group's business is stable and well established, and as such its tax position is not likely to change significantly in the foreseeable future. The Group does not have a formal limit on acceptable tax risk, but any unusual transactions will be referred to the Group's tax advisers.

Should any material tax issues be identified, the matter will be raised and discussed with the Board, who will agree an appropriate course of action, with reference to the Group's commercial objectives and this tax strategy.

## Relationship with HMRC

The Group seeks to have an open, proactive and transparent relationship with HMRC.

Given the stable nature of the business there has been little need for direct contact with HMRC. Should particularly unusual or significant transactions be considered, professional advice will be taken, and if considered necessary, the matter will be referred to HMRC.