



VAT RETURN

Schedule of Services

Please ensure you read the following paragraphs carefully and give particular attention to the Your responsibilities section.

Recurring compliance work

We will prepare your quarterly VAT returns/Intrastat returns/EC Sales lists on the basis of the information and explanations supplied by you. The first such return to be prepared by us will be the first return subsequent to the date of agreement on your engagement letter.

Based on the information that you provide to us, we will tell you how much you should pay and when. If appropriate we will initiate repayment claims where they are due. We will advise on the interest and penalty implications if VAT is paid late.

Where appropriate we will calculate the partial exemption annual adjustment. This annual adjustment will normally be made in the relevant quarter.

Where appropriate we will calculate the annual Capital Goods Scheme adjustment. The adjustment will normally be made in the relevant quarter.

We will forward to you the completed return calculations for you to review, before you approve the VAT return for onward transmission by us to HMRC.

Ad hoc and advisory services

We will also provide such other taxation ad hoc and advisory services as may be agreed from time to time. These may be the subject of a separate engagement letter, at our option. Where appropriate we will discuss and agree an additional fee for this work when it is commissioned by you. Examples of such work include:

1. reviewing and advising a suitable partial exemption method to use in preparing the return
2. dealing with all communications relating to your VAT returns Intrastat returns/EC Sales List returns addressed to us by HMRC or passed to us by you
3. making recommendations to you about the use of cash accounting, annual accounting, flat rate and other suitable methods of accounting for VAT
4. making recommendations to you about the use of MOSS if you supply digital services to consumers in the European Union

Where specialist advice is required in certain areas we may need to seek this from or refer you to appropriate specialists.

Changes in the law or public policy and practice

We will not accept responsibility if you act on advice previously given by us without first confirming with us that the advice is still valid in light of any change in the law or your circumstances.

We will accept no liability for losses arising from changes in the law or the interpretation thereof that occur after the date on which the advice is given.

Your responsibilities

You are legally responsible for:

1. ensuring that your returns are correct and complete;
2. filing any returns by the due date; and
3. making payment of tax on time.

Failure to do this may lead to penalties, surcharges and/or interest.

The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that returns we have prepared for you are complete before he/she approves and signs them.

To enable us to carry out our work you agree:

1. that all returns are to be made on the basis of full disclosure;
2. that you are responsible for ensuring that the information provided is, to the best of your knowledge, accurate and complete. The VAT returns are prepared solely on the basis of the information provided by you and we accept no responsibility for any VAT liabilities arising due to inaccuracies or omissions in the information you provide which may lead to a misdeclaration on which penalties and interest may arise;
3. that we can approach such third parties as may be appropriate for information we consider necessary to deal with the VAT returns; and
4. to provide us with all the records relevant to the preparation of your quarterly VAT returns as soon as possible after the return period ends. We would ordinarily need a minimum of 14 days before submission to complete our work. If the records are provided later or are incomplete or unclear thereby delaying the preparation and submission of the VAT return, we accept no responsibility for any "default surcharge" penalty that may arise. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee for so doing.

You will keep us informed of material changes in circumstances that could affect your VAT obligations. If you are unsure whether the change is material or not please let us know so that we can assess the significance or otherwise.

You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us through the form 64-8 it is essential that you let us have copies of any correspondence received from HMRC to avoid any breakdown in communication.

You are responsible for bringing to our attention any errors, omissions or inaccuracies in your VAT returns which you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

If you are involved with any other business which is not registered for VAT you are responsible for monitoring your monthly turnover to establish whether you are liable to register that business for VAT. If you do not understand what you need to do, please ask us. If you exceed the VAT registration threshold, and you wish us to assist you in notifying HMRC of your liability to be VAT registered, you

must give us clear instructions to assist you in the VAT registration process. You should notify us of your instructions in good time to enable the VAT registration application form to be submitted within the statutory time limit of one month following the month in which you exceeded the VAT registration threshold in force at that time. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.

If you provide digital services to consumers in the EC you are responsible for either registering for VAT in that member state or registering for MOSS in the UK.

If EC Sales Lists need to be completed you are responsible for obtaining all of your customers' VAT registration numbers in other member states and to check any that you are not completely satisfied with, with HMRC.