



# SCHEDULES OF SERVICES FOR LIMITED COMPANIES AND LIMITED LIABILITY PARTNERSHIPS (“LLPS”)

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7 April 2022

**The enclosed schedules of services are to be read in conjunction  
with our engagement letter and terms of business  
and are only applicable where we have agreed to perform the relevant services.**

**As of the above date these schedules replace any details about the responsibilities of ourselves and our clients which were previously included in our non-audit engagement letters with limited companies.**

## **SCHEDULE 1: STATUTORY FINANCIAL STATEMENTS (ACCOUNTS)**

### **YOUR RESPONSIBILITIES**

#### **1 Your responsibilities as directors of a limited company (or as members of an LLP) and for the accounts**

- 1.1 You are responsible for preparing financial statements which give a true and fair view and which have been prepared in accordance with the Companies Act 2006 (the Act). As directors (or designated members for LLPs) you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity.
- 1.2 In preparing the financial statements, you are required to:
  - select suitable accounting policies and then apply them consistently;
  - make judgements and estimates that are reasonable and prudent; and
  - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the entity will continue in business.
- 1.3 You are responsible for keeping adequate accounting records that set out with reasonable accuracy at any time the entity's financial position, and for ensuring that the financial statements comply with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UKGAAP)), or International Financial Reporting Standards (IFRSs) as adopted by the European Union, and with the Companies Act 2006 and give a true and fair view.
- 1.4 You are also responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.
- 1.5 You are also responsible for safeguarding the assets of the entity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.
- 1.6 You are also responsible for deciding whether, in each financial year, the entity meets the conditions for exemption from an audit, as set out in section 477, 479A or 480 of the Companies Act 2006, and for deciding whether the exemption can be claimed that year.
- 1.7 You are responsible for ensuring that the entity complies with laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.
- 1.8 You have undertaken to make available to us, as and when required, all the entity's accounting records and related financial information, including minutes of management and shareholders' and directors' meetings (or members for LLPs), that we need to do our work.
- 1.9 For companies where appropriate, if you have instructed us to prepare abridged accounts under The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 as amended by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015, as directors you are responsible for obtaining the necessary consents from all shareholders and for delivering the required statement to the registrar.
- 1.10 For LLPs where appropriate, if you have instructed us to prepare abridged accounts under The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 as amended by The Limited Liability Partnerships, Partnerships and Groups (Accounts and Audit) Regulations 2016. As designated members, you are responsible for obtaining the necessary consents from all members and for delivering the required statement to the registrar.

## **OUR RESPONSIBILITIES**

### **2 Our responsibilities as accountants**

- 2.1 You have asked us to help you prepare the financial statements in accordance with the requirements of the Companies Act 2006 and also to enable profits to be calculated to meet the requirements of current tax legislation and that provide sufficient and relevant information to complete a tax return. We will compile the financial statements for your approval based on the accounting records that you maintain and the information and explanations that you give us.
- 2.2 We shall plan our work on the basis that no report on the financial statements is required by statute or regulation for the year, unless you inform us in writing to the contrary. We will make enquiries of management and undertake any procedures that we judge appropriate but are under no obligation to perform procedures that may be required for assurance engagements such as audits or reviews. Where an assurance or agreed upon procedures engagement is to be undertaken, then the full details of what is to be undertaken and the result of that work needs to be agreed in writing.
- 2.3 Where you have told us that the entity is exempt from an audit of the financial statement we will not check whether this is the case. However, if we find that the entity is not entitled to the exemption, we will inform you of this.
- 2.4 Unless a separate engagement letter has been approved for audit services, our work will not be an audit of the financial statements in accordance with International Standards of Auditing (UK and Ireland). In this case we will not be able to provide any assurance that the accounting records or the financial statements are free from material misstatement, whether caused by fraud, other irregularities or error nor to identify weaknesses in internal controls.
- 2.5 If we are not carrying out an audit, we will not confirm in any way the accuracy or reasonableness of the accounting records and we cannot provide any assurance whether the financial statements that we prepare from those records will present a true and fair view.
- 2.6 We will advise you on whether your records are adequate for preparation of the financial statements and recommend improvements.
- 2.7 We have a professional duty to compile financial statements that conform with generally accepted accounting principles from the accounting records and information and explanations given to us. Furthermore, as directors (or members of an LLP) you have a duty to prepare financial statements that comply with the Companies Act 2006 and applicable accounting standards. If we find that the financial statements do not conform to generally accepted accounting principles, or if the accounting policies adopted are not immediately apparent, we must disclose this in the financial statements.
- 2.8 We also have a professional responsibility not to allow our name to be associated with financial statements which we believe may be misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the financial statements may be misleading, we will discuss the matter with you with a view to agreeing appropriate adjustments and/or disclosures in the financial statements. In circumstances where adjustments and/or disclosures that we consider appropriate are not made or where we are not provided with appropriate information, and as a result we consider that the financial statements is misleading, we will withdraw from the engagement.

- 2.9 As part of our normal procedures we may ask you to confirm in writing any information or explanations given to us orally during our work.
- 2.10 You have instructed us to convert the financial statements into the iXBRL (inline eXtensible Business Reporting Language) format which is required by HMRC. We will use professional software to create the tagged financial statements and you therefore agree that we can process any standard data tags without your prior approval, only referring back to you for any non-standard or judgemental areas. It remains your legal responsibility to provide the information in the iXBRL format.

Form of the accountants' report

- 2.11 For non-audit engagements, the accountants' report helps users derive comfort from the involvement of chartered accountants who are subject to the ethical and other guidance issued by the ICAEW in relation to the preparation of the financial information or statements. It also helps prevent users from deriving unwarranted assurance from the financial information or statements where no audit or assurance work has been performed and no opinion is expressed by the accountants.
- 2.12 If an accountants' report is required, we will report to the Board of directors (or members for an LLP), as appropriate, that in accordance with this engagement letter and to assist you to fulfil your responsibilities, we have not carried out an audit but have compiled the financial statements from the accounting records and from the information and explanations supplied to us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity and the Company's Board of directors (or members for an LLP), as a body, for our work or for this report. If you wish to share this report with third parties, before doing so, you must discuss this with us, receive our consent and follow any stipulated conditions.

## **SCHEDULE 2: CORPORATION TAX SERVICES**

### **1 YOUR RESPONSIBILITIES**

1.1 Even though you are engaging us to help you meet your corporation tax obligations, the directors on behalf of the company are legally responsible for:

- (a) Ensuring that the CTSA return (including XBRL tags and iXBRL file) is correct and complete;
- (b) Filing any returns by the due date; and
- (c) Making payment of tax on time.

Failure to do this may lead to automatic 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 the company are complete before he approves and signs them.

1.2 To enable us to carry out our work the directors agree:

(a) That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;

(b) To provide full information necessary for dealing with the company's affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;

(a) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with the company's affairs;

(b) To provide us with information in sufficient time for the company's CTSA return to be completed and submitted by the due date following the end of the tax year.

(c) to provide information on matters affecting the company's tax liability for the accounting period in respect of which instalments are due at least four weeks before the due date of each instalment; this information should include details of trading profits and other taxable activities up to the date the information is provided, together with estimates to the end of the accounting period; and

(e) To provide us with information on advances or loans made to directors, shareholders or their associates during an accounting period and any repayments made or write offs authorised.

1.3 The directors will keep us informed of material changes in circumstances that could affect the tax liabilities of the company. If the directors are unsure whether the change is material or not please let us know so that we can assess the significance.

1.4 You will forward to us all communications from HMRC, as HMRC are not obliged to send us copies of all communications issued to you.

1.5 The work carried out within this engagement will be in respect of the company's tax affairs. Any work to be carried out for the directors on a personal basis will be set out in a separate letter of engagement.

## **Groups and consortia (where applicable and if agreed in advance)**

- 1.6 If a parent company is required to prepare both individual and group accounts and it is required to file both of these as part of its online company tax return, you accept full responsibility for the existence, accuracy, consistency and completeness of XBRL tagging within the accounts and to file the individual accounts as an iXBRL document with the relevant XBRL tags embedded.
- 1.7 In relation to groups and consortia of which your company is a member, and in respect of which you have instructed us to act, we will provide the following additional services.
- 1.8 If instructed, we will advise on the tax treatment of intra-group payments of dividends, charges and interest.
- 1.9 We will advise on the eligibility of companies to make elections in relation to such payments.
- 1.10 We will prepare and submit to HMRC elections relating to intra-group payments of dividends, charges and interest.
- 1.11 We will deal with all communications relating to elections addressed to us by HMRC.
- 1.12 If instructed, in respect of claims for group and consortium relief:
  - a) we will advise as required on claims for group and consortium relief and the interaction with other reliefs;
  - b) we will prepare and submit to HMRC appropriate claims;
  - c) we will adjust corporation tax computations and returns to reflect the surrender and receipt of group and consortium reliefs;
  - d) we will advise on arrangements for the payment of tax and the surrender and set-off of tax refunds within the group; and
  - e) we will advise on claiming eligible unrelieved foreign tax (EUFT) or the surrender of any amount of EUFT.

## **2. OUR RESPONSIBILITIES**

### **Recurring compliance work**

- 2.1 For the purpose of the delivery of the company's tax return, we will use commercial software to apply XBRL tags to items in the accounts as we consider appropriate for the purposes of submission of the accounts in iXBRL via the Government Gateway for tax purposes.
- 2.2 We will, to the extent we consider necessary, manually amend or apply tags if the software has not applied automatic tagging or if we consider any automatic tagging to have been inappropriate.
- 2.3 We will provide you with detailed information about the tagging applied for your approval.
- 2.4 We will prepare the company's corporate tax self-assessment (CTSA) return. After obtaining your approval and signature, we will submit it to HM Revenue & Customs (HMRC). We shall not accept liability for any financial penalty or loss or other damage arising from any rejection of the iXBRL return by HMRC or otherwise as a result of incorrect or inappropriate tagging.
- 2.5 We will prepare the corporation tax computation and supporting schedules required for preparation of the company tax return from accounts, information and explanations provided to us on your behalf.
- 2.6 We will tell you how much tax the company should pay and when. Where appropriate, we will initiate repayment claims when tax has been overpaid. We will advise on the interest and penalty implications if corporation tax is paid late.
- 2.7 We will inform you if instalment payments of corporation tax are due for an accounting period, and the dates they are payable. By the date agreed, we will calculate the quarterly instalments which should be made on the basis of information supplied by you.
- 2.8 We will advise you on possible tax-return-related claims and elections arising from information supplied by you. If instructed by you, we will make such claims and elections in the form and manner required by HMRC.
- 2.9 The work carried out within this engagement will be in respect of the company's tax affairs. Any work to be carried out for the directors on a personal basis will be set out in a separate letter of engagement.

### **3. Excluded, ad hoc and advisory work**

3.1 The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. If you instruct us to do so, we will provide such other taxation, ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate, we will agree with you a separate fee for any such work you instruct us to undertake. Examples of such work that you may wish to instruct us to undertake include:

- a) advising you when corporation tax is due on loans by the company to directors or shareholders or their associates, and calculating the payments due or the amount repayable when the loans are repaid;
- b) advising you on, and preparing analyses of, expenditure and detailed capital allowance claims for renovation of buildings;
- c) dealing with any enquiry opened into the company's tax return by HMRC; and
- d) preparing any amended returns which may be required and corresponding with HMRC as necessary.
- e) Research and development tax credits
- f) SEIS and EIS applications
- g) Share option schemes and EMI applications
- h) Intercompany agreements



**SCHEDULE 3: PREPARATION AND MAINTENANCE OF ACCOUNTING RECORDS  
(BOOKKEEPING) (WHERE APPLICABLE)**

**1. YOUR RESPONSIBILITIES**

1.1 Where you have agreed to carry out the bookkeeping, you will need to:

- a) Write up the accounting records of transactions, receipts and payments;
- b) reconcile the balances with the bank statements;
- c) post and balance the purchases and sales ledgers;
- d) complete the postings to the nominal ledger

1.2 Where we have agreed to carry out the bookkeeping, you will need to:

- a) Provide us with all of the accounting records such as sales, purchases, other transactions, receipts and payments;
- b) Provide us with the bank statements;

**2. OUR RESPONSIBILITIES**

5.3 Where we have agreed to carry out the bookkeeping, we will:

- a) Write up the accounting records of transactions, receipts and payments;
- b) reconcile the balances with the bank statements;
- c) post and balance the purchases and sales ledgers;
- d) extract a detailed list of ledger balances;
- e) complete the postings to the nominal ledger

## **SCHEDULE 4: PAYROLL, PAYE/NI AND AUTO ENROLMENT (WHERE APPLICABLE)**

Where we have agreed to carry out payroll, PAYE/NI and auto enrolment services:

### **1. YOUR RESPONSIBILITIES**

- 2.10 Even though you are engaging us to help you meet your payroll obligations, you are legally responsible for:
- a) ensuring that the data in your payroll submissions is correct and complete;
  - b) complying with auto-enrolment obligations;
  - c) making any submissions by the due date; and
  - d) paying tax and NIC on time.
- Failure to do any of the above may lead to penalties and/or interest.
- 2.11 Employers cannot delegate these legal responsibilities to others. You agree to check that submissions we have prepared for you are correct and complete before approving them.
- 2.12 You are no less responsible for errors in unapproved returns, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the returns.
- 2.13 To enable us to carry out our work, you agree:
- a) that all information required to be delivered online is submitted on the basis of full disclosure;
  - b) to provide full information necessary for dealing with your payroll affairs and workplace pension scheme contributions and refunds; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
  - c) to agree with us the name(s) of the person(s) authorised by you to notify us of changes in employees and in rates of pay and other information relevant to the services provided under this schedule; we will process the changes only if notified by that/those individual(s);
  - d) to advise us in writing of changes of payroll pay dates;
  - e) to notify us at least 5 working days or such other period as agreed with us]before the payroll pay date of all transactions or events which may need to be reflected in the payroll for the period, including details of:
    - all new employees (including full names, address, date of birth, gender, national insurance number, their start date and starter form) and details of their remuneration package [including benefits-in-kind to be payrolled];
    - for employees whose benefits-in-kind are being payrolled, their names, the identity of the benefits-in-kind, and the cash equivalent amounts to be included in payroll;
    - for employees who are active pension scheme members, name of pension scheme, pensionable pay, employee and employer contribution rates, dates from/to which contributions payable;
    - names and dates of birth of all employees;
    - all changes to remuneration packages [including benefits-in-kind to be payrolled];
    - employee expenses which need to be included in payroll to account for either income tax or Class 1 NIC or both;
    - expenses for each employee if the expense is to be reimbursed gross through payroll as an addition to net pay;]
    - information necessary to enable us to calculate statutory payments, ie, statutory sick pay, statutory maternity pay, statutory adoption pay, statutory paternity pay, statutory shared parental pay;
    - irregular and/or ad hoc payments and the dates to be paid; and
    - all leavers, their leaving date, termination payments, and any payments made after the leaving date.

- f) to notify us within 5 working days or such other period as agreed with us of your receiving or becoming aware of any opt-out notices or any other requests to cease membership of a scheme, so that we can cease to calculate any relevant pension contributions and process any required refunds;
- g) To register with HMRC in advance of the tax year, to notify which benefits-in-kind are to be payrolled for which employees, and to notify in-year changes to HMRC (as agents, we cannot do this);
- h) to keep us informed of changes in circumstances that could affect the payroll; if you are unsure whether a change is material, please tell us so we can assess its significance;
- i) to authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with your payroll; [and]
- j) to approve:
  - in-year and final FPS by at least 1 working days before payroll pay dates so that they can be submitted on or before payday, or as agreed with us;
  - in-year and final EPS by at least 1 working day before the 19th of the month following the tax month;
  - earlier year updates (EYU) within 5 working days of notifying you of the data therein.

2.14 If we do not hear from you by the above deadlines, subject to any other agreement between us, we will take your silence as your approval for us to submit the return.

2.15 If the information required to complete the payroll services set out above is received later than the dates specified above or agreed with us, we will still endeavour to process the payroll and returns to meet the filing deadlines; but we will not be liable for any costs or other losses arising if the payroll is late or the returns are filed late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.

2.16 If you require us to make a correction after the FPS or EPS has been submitted, you will let us know as soon as possible and, ideally, before the next payroll run. This may be subject to a separate fee.

**Where we have agreed to provide benefits in kind returns:**

- 2.1 Even though you are engaging us to help you meet your end-of-year benefits-in-kind return obligations, you are legally responsible for:
- a) ensuring that your declaration on form P11D(b) is true to the best of your knowledge and belief and therefore that [the entries on the related forms P11D] [and amounts of benefits-in-kind and expenses in the payroll] are correct and complete;
  - b) filing any returns by the due date after the end of the tax year; and
  - c) making payment of Class 1A NIC on time.

Failure to do any of the above may lead to penalties and/or interest.

2.2 The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that the forms that we have prepared for you are correct and complete before approving and signing them.

2.3 To enable us to carry out our work, you agree:

- a) that all returns are to be made on the basis of full disclosure;
- b) to provide full information necessary for dealing with your benefits-in-kind; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- c) to notify us after the end of the tax year of all transactions or events which may need to be reflected in the forms P11D for the period, including details of all employees during the year and details of their remuneration packages;
- d) to authorise us to approach such third parties as may be appropriate that we consider necessary to deal with completing the benefits-in-kind returns; and
- e) to approve the returns by 30 June so they can be submitted on or before the filing deadline of 6 July after the end of the tax year.

If we do not hear from you by the above deadline, subject to any other agreement between us, we will take your silence as your approval for us to submit the returns.

You are no less responsible for errors in unapproved returns submitted on the basis of the information provided to and processed by us than if you had confirmed your approval of the returns.

### **3. OUR RESPONSIBILITIES**

#### **Recurring compliance work**

- 3.1 We will prepare your UK payroll for each payroll period to meet UK employment tax requirements, specifically:
- a) calculating the pay as you earn (PAYE) income tax deductions, including at the Scottish rate of income tax, if applicable;
  - b) calculating the employees' national insurance contributions (NIC) deductions;
  - c) calculating the employer's NIC liabilities;
  - d) calculating statutory payments, for example, statutory sick pay and/or statutory maternity pay;
  - e) calculating employee and employer pension contributions for employees who are members of workplace pension schemes on the basis of the information that you provide to us;
  - f) processing any employee and employer pension contribution refunds through the payroll
  - g) calculating other statutory and non-statutory deductions [including apprenticeship levy]; and
  - h) submitting information online to HMRC under Real Time Information (RTI) for PAYE.
- 3.2 Before the time of payment through the payroll or due date, we will prepare and send to you the following documents for delivering information to HMRC:
- a) payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
  - b) Full Payment Submission (FPS) for taxable pay for each employee;
  - c) a payslip for each employee;
  - d) a form P45 for each leaver;
  - e) a report showing your PAYE and NIC liability, student loan repayments [, apprenticeship levy] and due date for payment; and
  - f) a workplace pension contributions report showing i) any employee and employer pension contributions payable in respect of each employee to the respective workplace pension scheme(s) of which they are members and the due date(s) for payment; ii) any employee pension contribution refunds payable to any employee; and iii) any employer pension contribution refunds due to you for any employee who has ceased membership of the scheme(s).
- 3.3 We will submit FPS online to HMRC after the data to be included therein has been approved, or on the basis of the data provided, by you. (FPS must normally reach HMRC on or before the contractual payday, ie, the date that employees are entitled to be paid). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below.
- 3.4 For each tax month we will prepare, if appropriate, an Employer Payment Summary (EPS) from the information and explanations that you provide to us. (Examples of EPS data include statutory payments, employment allowance, construction industry scheme deductions [, apprenticeship levy allowance allocated to that PAYE scheme and apprenticeship levy payable to date] and confirmation that no payments were, or will be, made to employees.)
- 3.5 We will submit EPS online to HMRC. (EPS must reach HMRC by the 19th of the month following the tax month to which they relate.) You must ensure that the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below.

- 3.6 At the end of the tax year we will:
- a) prepare the final FPS (or EPS) and submit this to HMRC [after the data to be included therein has been approved/on the basis of the data provided] by you; (the due date for submitting final FPS is on or before the last contractual payday of the tax year, failing which, the final EPS for the year must reach HMRC by 19 April following the end of the tax year;) you must ensure that the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below;
  - b) prepare and send to you Form P60 for each employee on the payroll at the year-end so you can give them to employees by the statutory due date of 31 May following the end of the tax year;
- 3.7 We will deal with any online secure messages sent to us by HMRC in respect of your payroll, for example, code number notifications, student loan repayment notices, and generic notification notices.
- 3.8 We will submit national insurance number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

#### **4 Excluded, ad hoc and advisory work**

- 4.1 The scope of our services provided to you will be only as set out above, and all other services which we may offer are excluded. If you instruct us to do so, we will provide such other taxation, ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate, we will agree with you a separate fee for any such work you instruct us to undertake.

Examples of such work that you may wish to instruct us to undertake include:

- a) work in connection with workplace pension schemes other than that detailed above;
- b) agreeing with you which employer-provided benefits-in-kind will be processed through the payroll and for which employees, processing through the payroll cash equivalent notional amounts on employee benefits-in-kind, notifying HMRC of in-year changes, advising you on the payment of associated Class 1A NIC, preparing and submitting return P11D(b) and notifications to employees;
- c) preparing and submitting returns P11D and P11D(b) for employee benefits-in-kind and expenses and advising on the payment of associated Class 1A NIC (such work, if undertaken, is covered in a separate schedule of services);
- d) dealing with any compliance check or enquiry by HMRC into the payroll data submitted;
- e) preparing and submitting any amended returns or data for previous tax years;
- f) assisting you in the operation of the Construction Industry Scheme (CIS) for subcontractors;
- g) conducting PAYE, and benefits and expenses health checks; and

## **Additional services for benefits in kind (where applicable and if agreed in advance)**

- 4.2 Prepare and send to you a statement for every employee for whom benefits-in-kind have been payrolled identifying every benefit provided to each employee during the tax year and the cash equivalent of each benefit treated as PAYE income so you can give them to employees by the statutory due date of 31 May following the end of the tax year;
- a) give you details of the Class 1A NIC on payrolled benefits-in-kind which will need to be accounted for on form P11D(b) and the due date for payment;
  - b) give you details of the Class 1A NIC on expenses accounted for in the payroll which will need to be accounted for on form P11D(b) and the due date for payment;
  - c) give you the figures that need to be included on forms P11D to account for income tax in respect of expenses for which Class 1 NIC has been accounted for in the payroll.
- 4.3 We will prepare or review forms P11D as may be required for each employee including directors based on the accounts, information and explanations provided to us on your behalf.
- 4.4 We will prepare or review form P11D(b), to include the Class 1A NIC on benefits-in-kind and expenses, both on forms P11D and included in payroll.
- 4.5 We will submit the forms P11D for any benefits/employees for whom benefits are provided but not payrolled with the form P11D(b) after the form P11D(b) has been approved by you.
- 4.6 We will prepare and send to you the P11D information for you to forward to your employees and directors by the statutory due date of 6 July following the end of the tax year.
- 4.7 We will calculate your Class 1A NIC liability on the benefits and expenses, both returned in forms P11D and included in payroll, that you are obliged to pay HMRC by the due date, and send payment instructions to you.

## **SCHEDULE 5: VAT (WHERE APPLICABLE)**

Where we have agreed to carry out VAT services:

### **1 YOUR RESPONSIBILITIES FOR VAT**

1.1 You are legally responsible for:

- (a) Ensuring that your VAT returns are correct and complete;
- (b) Filing any returns by the due date; and
- (c) Making payment of tax on time.

Failure to do this may lead to automatic 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 approves and signs them.

1.2 To enable us to carry out our work you agree:

- (a) That all returns are to be made on the basis of full disclosure;
- (b) 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;

(c) to authorise us to approach such third parties as may be appropriate, for information we consider necessary to deal with the returns; and

(d) To provide us with all the records relevant to the preparation of your VAT returns as soon as possible after the return period ends. We would ordinarily need a minimum of two weeks 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.

1.3 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.

1.4 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 when form 64-8 has been signed and submitted it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you.

1.5 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.

1.6 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 with HMRC any that you are not completely satisfied with.

1.7 If you provide digital services to consumers in the EU, you are responsible either for registering for VAT in that member state, or for registering for VAT Mini One Stop Shop (MOSS) in the UK.



## **2 OUR RESPONSIBILITIES FOR VAT**

- 2.1 Where applicable, we will prepare your UK VAT returns, Intrastat returns, EC Sales Lists and mini one-stop shop (MOSS) returns on the basis of the information and explanations supplied by you.
- 2.2 Based on the information you provide to us, we will tell you how much VAT you should pay and when. Where appropriate, we will initiate repayment claims if tax has been overpaid. We will advise on the interest and penalty implications if UK VAT is paid late.
- 2.3 Where appropriate, we will calculate the partial exemption annual adjustment.
- 2.4 Where appropriate, we will calculate the annual Capital Goods Scheme adjustment.
- 2.5 We will forward to you the completed return calculations for you to review, before you approve the UK VAT return for onward transmission by us to HMRC.

## **3 Ad hoc and advisory services**

- 3.1 The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. If you instruct us to do so, we will provide such other taxation, ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate, we will agree with you a separate fee for any such work you instruct us to undertake. Examples of such work that you may wish to instruct us to undertake include:
  - a) Dealing with HMRC enquiries or investigations;
  - b) reviewing and advising on a suitable partial exemption method to use in preparing the return;
  - c) dealing with all communications relating to your UK VAT returns, Intrastat returns, EC Sales List returns, MOSS returns addressed to us by HMRC or passed to us by you;
  - d) making recommendations to you about the use of cash accounting, annual accounting, flat-rate and other suitable methods of accounting for VAT;
  - e) making recommendations to you about the use of MOSS (mini one-stop shop) if you supply digital services to consumers in the EU; and
  - f) providing you with advice on VAT.

## **SCHEDULE 6: CORPORATE SERVICES (WHERE APPLICABLE)**

Where we have agreed to provide corporate services:

### **1 Company secretarial**

- 1.1 A private company is required to file its financial statements at Companies House within nine months of the year end. The company will be liable to a fine if it fails to do so. We accept no responsibility for fines or regulatory action taken against the directors if the statutory financial statements are not available for filing.
- 1.2 Where we have agreed to act as your agent, we will:
  - a) submit the financial statements to the Registrar of Companies;
  - b) complete and submit the company's confirmation statement;
  - c) complete and submit any other forms which are required by law to be filed at Companies House, provided that you keep us fully informed of any relevant changes or events which are required to be notified to Companies House, (subject to additional fees); and
  - d) maintain the statutory books.
- 1.3 Where agreed, you may use our offices as your registered office for the purposes of dealing with Companies House and HMRC.
- 1.4 However, our offices are not to be used as your principal place of business or your trading address. We reserve the right to reject post or other correspondence if they do not relate to Companies House or HMRC.

## **SCHEDULE 7: LIMITED LIABILITY PARTNERSHIPS (LLP) TAX RETURN (WHERE APPLICABLE)**

Where we have agreed to prepare the LLP tax return:

### **1. RESPONSIBILITIES AND SCOPE FOR LIMITED LIABILITY PARTNERSHIPS (LLP) TAX RETURN SERVICES**

#### **1.1. Recurring compliance work**

1.1.1. We will prepare the LLP self-assessment tax return which includes the annual partnership statements, together with any supplementary pages required, from the information and explanations that the LLP provides to us. After obtaining your evidenced approval, we will submit these to HM Revenue & Customs (HMRC).

1.1.2. We will prepare the LLP's business accounts in accordance with generally accepted accounting practice from the books, accounting records and other information and explanations provided to us by you and/or by others on your behalf.

1.1.3. We will prepare the income and capital gains computations based on the LLP's business accounts for inclusion in the partnership tax return.

1.1.4. If instructed by you, we will advise you as members of the LLP on possible partnership-tax-return-related claims and elections arising from information supplied by the LLP in the form and manner required by HMRC.

1.1.5. If instructed, we will provide each member or their agent with details of the member's allocations from the return based on the partnership statement to enable members to fill in their self-assessment tax returns.

1.1.6. The work carried out within this engagement will be in respect of the LLP's tax affairs. Any work to be carried out for the individual members (for example submitting their own tax returns or making related claims and elections) will be set out in a separate letter of engagement.

#### **1.2. Excluded, ad hoc and advisory work**

1.2.1. The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. If you instruct us to do so, we will provide such other taxation, ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate, we will agree with you a separate fee for any such work you instruct us to undertake. Examples of such work that you may wish to instruct us to undertake include:

- a) Advising on ad hoc transactions (for example the sale or purchase of assets);
- b) dealing with any enquiry opened into the partnership tax return by HMRC; and
- a) preparing any amended returns which may be required and corresponding with HMRC as necessary.

1.2.2. If specialist advice is required, we may need to seek this from, or refer you to, appropriate specialists.

#### **1.3. Changes in the law, in practice or in public policy**

1.3.1. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law, practice, public policy or in your circumstances.

1.3.2. We will accept no liability for losses arising from changes in the law (or the interpretation thereof) or practice or in public policy that are first published after the date on which the advice is given.

## **1.4. Your responsibilities**

1.4.1. The members are legally responsible for:

- a) ensuring that the partnership self-assessment tax returns are correct and complete;
- b) filing any returns by the due date; and
- c) paying tax on time.

Failure to do any of the above may lead to penalties and/or interest.

1.4.2. Legal responsibility for approval of the return cannot be delegated to others. You agree to check that returns that we have prepared for the LLP are correct and complete before approving them.

1.4.3. You are no less responsible for errors in unapproved returns, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the returns.

1.4.4. To enable us to carry out our work, you agree:

- a) that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
- b) to provide all information necessary for dealing with the LLP's affairs; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- c) to authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with the LLP's affairs; and
- d) to provide us with information in sufficient time for the LLP tax return to be completed and submitted by HMRC's deadline this. If feasible, we may agree to complete your return within a shorter period but may charge an additional fee for so doing.

1.4.5. You will keep us informed of material changes in circumstances that could affect the partnership tax returns or the partnership statements including, by way of example, changes in the members in the LLP. If you are unsure whether the change is material, please tell us so that we can assess its significance.

1.4.6. HMRC will send you an agent authorisation code which expires within 30 days of issue. Please send this to us as soon as you receive it. This code will enable us to register as your agent with HMRC. This authorises HMRC to communicate with us as your agent, although they consider that you should still take 'reasonable care' over your tax affairs. Include form 64-8 and draw to the client's attention.

You will forward to us letters and other communications received from HMRC, in sufficient 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 when form 64-8 has been submitted, it is essential that you let us have copies of any correspondence received, because HMRC are not obliged to send us copies of all communications issued to you