

## **VAT RETURNS**

### **SCHEDULE OF SERVICES**

This schedule should be read in conjunction with the accompanying engagement letter (which also details the standard terms and conditions).

#### **Recurring compliance work**

- 1.1 We will prepare your quarterly VAT on the basis of the information and explanations supplied by you.
- 1.2 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 tax has been overpaid. We will advise on the interest and penalty implications if VAT is paid late.
- 1.3 Where appropriate we will calculate the partial exemption annual adjustment.
- 1.4 We will forward to you the completed return calculations for you to review, before you approve the VAT return for onward transmission to HMRC.
- 1.5 If you are enrolled into MTD for VAT (MTDfV) we will ensure the data is submitted through an HMRC approved API software.

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

- 2.1 Where you have instructed us to do so, we will also 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 discuss and agree an additional fee for this work when it is commissioned by you. Examples of such work include:
  - Reviewing and advising a suitable partial exemption method to use in preparing the return;
  - Dealing with all communications relating to your VAT returns addressed to us by HMRC or passed to us by you;
  - Making recommendations to you about the use of cash accounting, annual accounting, flat rate and other suitable methods of accounting for VAT; and
  - Providing you with advice on VAT as and when requested. Where the advice is provided in writing, the information provided and the query raised will be set out with our response to you; and
  - Registering you for MTDfV with HMRC.
- 2.2 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**

- 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 or your circumstances.
- 3.2 We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published on or after the date on which the advice is given.

## Your responsibilities

4.1. You are legally responsible for:

- (a) Ensuring that you are enrolled into MTDfV (if applicable);
- (b) Ensuring that your returns are correct and complete;
- (c) Filing any returns by the due date; and
- (d) Making payment of tax on time.

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

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

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

4.2 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) That we can approach such third parties as may be appropriate for information we consider necessary to deal with the VAT returns; and
- (d) 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 5 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.

4.3 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.

4.4 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.

4.5 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.

## Limitation of liability

Our services as set out above are subject to the limitations on our liability set out in the standard terms and conditions of business in our engagement letter.