

SUBMISSION OF VAT RETURNS

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the terms of business.

1. RESPONSIBILITIES AND SCOPE FOR VAT RETURN SERVICES

1.1. Initial registration

1.1.1. We will sign you up for Making Tax Digital (MTD) for VAT. By instructing us to sign up on your behalf you are agreeing to HMRC's terms of use. This may result in changes that may include changes to deadlines. You will complete HMRC's sign up process to enable submission of your VAT return.

1.1.2. You will need to authorise us as an agent on the HMRC portal using your Business Tax Account. This is completed online and you will need your government gateway ID. This authorises HMRC to communicate with us as your agent, although they consider that you should still take 'reasonable care' over your tax affairs.]

1.2. Recurring compliance work

1.2.1. We will submit your MTD for VAT returns on a quarterly basis (unless you are required by HMRC to submit annually or monthly).

1.2.2. We will not check that your digital accounting records (which you keep to meet the requirements of MTD for VAT) and which you provide to us for submission of the MTD for VAT returns. We will only submit the figures provided by you and will not make any adjustments. You may be required to provide us with your data digitally and we will tell you if/ when that is the case. If your software is incompatible with ours we will agree with you an appropriate solution which might include the use of alternative third party functionally compatible software and/or a spreadsheet(s) which satisfy the statutory requirement for digital linkage. Where your digital records are incompatible with our software we may require an additional fee. You must also provide us with confirmation that your digital records are complete and accurate.

1.2.3. We will not tell you how much VAT you should pay and when as this is your responsibility.

1.2.4. We are not responsible for considering or applying for any of the exemptions from MTD for VAT. However, if you feel that you are eligible for exemption, please let us know. We are happy to discuss this and may correspond to HMRC on your behalf if needed, or we can guide you on whom you should contact for this. This may be subject to an additional fee.

1.2.5. We will submit the MTD for VAT return data online to HMRC on the basis of the data provided by you

1.2.6. Ad hoc queries by way of telephone and email enquiries are not routine compliance and may result in additional fees. As indicated below, where appropriate we will aim to discuss and agree additional fees but it may not always be possible to agree these in advance and we reserve the right to charge you an additional fee for these queries.

1.3. Ad hoc and advisory services

1.3.1. 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 on ad hoc transactions
- b) reviewing and advising on a suitable partial exemption method to use in preparing the return;
- a) dealing with all communications relating to your MTD for VAT returns addressed to us by HMRC or passed to us by you;
- b) making recommendations to you about the use of cash accounting, annual accounting, flat-rate and other suitable methods of accounting for VAT;
- c) making recommendations to you about the use of VAT MOSS (mini one-stop shop) if you supply digital services to consumers in the EU; and
- d) providing you with advice on VAT.
- e) work required to rectify the position where your software is incompatible with our software
- f) reviewing your record keeping processes and providing advice on potential improvements to enable compliance with the MTD for VAT requirements, including digital links for the transfer of data between different software.

Where the advice is provided in writing, the information provided and the query raised will be set out with our response to you.

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

1.4. Changes in the law, in practice or in public policy

1.4.1. 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 or public policy or in your circumstances.

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

1.5. Your responsibilities

1.5.1. You are legally responsible for:

- a) ensuring that your returns are correct and complete and in an appropriate digital format and capture the appropriate level of data;
- b) ensuring your record keeping is compliant with the new requirements for the digital recording and transfer of data
- c) providing us with the information required to file any returns by the due date; and
- d) paying VAT on time.

Failure to do any of these may lead to penalties, surcharges and/or interest.

1.5.2. You are responsible for the accuracy of the information provided to us.

1.5.3. 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) that you are responsible for ensuring that the information provided is, to the best of your knowledge, accurate and complete and that all digital links are in the manner prescribed; we accept no responsibility for any liabilities arising due to inaccuracies, omissions or breakdowns in digital links concerning the information that 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 your digital records as soon as possible after the period end; we would ordinarily need a minimum of 10 working days before submission to complete our work. If the records are provided later or are incomplete or unclear, thereby delaying the submission of the return, we accept no responsibility for any 'default surcharge' penalty that may arise; if feasible, we may agree to complete your return within a shorter period but may charge an additional fee for so doing. (EC Sales Lists and MOSS returns) have tighter submission deadlines than the normal UK VAT returns.)

1.5.4. 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 tell us so that we can assess its significance.

1.5.5. You will forward to us HMRC statements of account, copies of notices of assessment, 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 has the authority to communicate with us when form 64-8 or online authorisation has been submitted, it is essential that you let us have copies of any correspondence received, because HMRC is not obliged to send us copies of all communications issued to you.

1.5.6. 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.

1.5.7. If EC Sales Lists need to be completed, you are responsible for doing so.