

VAT return

This schedule should be read in conjunction with your engagement letter and the [terms of business](#).

1. Your responsibilities

1.1. You are legally responsible for:

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

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

1.2. 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 correct and complete before approving and/or signing them.

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

1.3.1. that all returns are to be made on the basis of full disclosure;

1.3.2. that you are responsible for ensuring that the information provided is, to the best of your knowledge, accurate and complete; the 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 that you provide which may lead to a miss-declaration on which penalties and interest may arise;

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

1.3.4. to provide us with all the records relevant to the preparation of your 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 return, we accept no responsibility for any 'default surcharge' penalty that may arise (EC Sales Lists (21 days) and MOSS returns (20 days) have tighter submission deadlines than the normal UK VAT returns).

1.4. 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. HM Revenue & Customs ('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. A 64-8 authorises HMRC to communicate with us as your agent, although they consider that you should still take 'reasonable care' over your tax affairs.

1.6. 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 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.

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

1.8. 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.

- 1.9. 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 numbers that you are not completely satisfied with.

2. Our responsibilities

- 2.1. We will prepare UK VAT returns on the basis of the information and explanations supplied by you. The frequency of the returns and first such return to be prepared by us is set out in our letter of engagement.
- 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. 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, as your agent, to HMRC.

The following services can be provided if agreed and set out in our letter of engagement, additional fees may apply for us to do so since these areas require specialist knowledge and calculations:

- 2.3.1. Where appropriate, we will calculate the partial exemption annual adjustment. This annual adjustment will normally be made in your last return of your accounting year but we will determine and confirm this with you.
- 2.3.2. Where appropriate, we will calculate the annual Capital Goods Scheme adjustment. The adjustment will normally be made in your last return of your accounting year but we will determine and confirm this with you.
- 2.4. 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.
- 2.5. 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.

3. Out of scope

- 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. Where appropriate, we will agree with you a separate fee for any such work you instruct us to undertake and this can be agreed in writing (via email) as a variation to this letter. Examples of such work that you may wish to instruct us to undertake include:
 - a) reviewing and advising on a suitable partial exemption method to use in preparing the return;
 - b) dealing with all communications relating to your UK VAT returns, Intrastat returns, EC Sales List returns and MOSS returns addressed to us by HMRC or passed to us by you;
 - c) making recommendations to you about the use of cash accounting, annual accounting, flat-rate and other suitable methods of accounting for VAT;
 - d) making recommendations to you about the use of MOSS (mini one-stop shop) if you supply digital services to consumers in the EU; and
 - e) providing you with advice on VAT Excise Duty, Customs Duty, Landfill Tax, Insurance Premium Tax, Aggregates Levy or Climate Change Levy.
- 3.2. If specialist advice is required, we may need to seek this from, or refer you to, appropriate specialists.