

## Appendix B8 VAT Services

### Schedule of services

This schedule should be read in conjunction with the engagement letter and the standard terms and conditions.

### VAT Returns

#### Recurring Compliance Work

1. We will prepare your annual VAT returns, Intrastat returns/EC Sales lists/MOSS Returns where applicable, on the basis of the information and explanations supplied by you.
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.
3. Where appropriate we will calculate the partial exemption annual adjustment.
4. Where appropriate we will calculate the annual Capital Goods Scheme adjustment.
5. 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

6. 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 on a suitable partial exemption method to use in preparing the return
  - dealing with all communications relating to your VAT returns, Intrastat returns/EC Sales List returns/MOSS Returns addressed to us by HMRC or passed to us by you where applicable.
  - making recommendations to you about the use of cash accounting, annual accounting, flat rate and other suitable methods of accounting for VAT
  - making recommendations to you about the use of MOSS if you supply digital services to consumers in the EC; and
7. 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 practice or in public policy**

8. We will not accept responsibility if you act on advice given to you 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 practice or in public policy or your circumstances.
9. 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

### **Your Responsibilities**

10. You are legally responsible for:
  - a) ensuring that your 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 approving and/or signing them.

11. 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 returns are prepared solely on the basis of the information provided by you and we accept no responsibility for any 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 returns as soon as possible after the return period ends. We would ordinarily need a minimum of 28 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. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee equivalent of our agreed hourly rate for so doing.
12. You will keep us informed of material changes in circumstances that could affect your obligations. If you are unsure whether the change is material or not please let us know so that we can assess its significance.
13. 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.
14. You are responsible for bringing to our attention any errors, omissions or inaccuracies in your returns which you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

- 15.**
- a) 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 for VAT. If you do not understand what you need to do, please ask us. If you exceed the VAT registration threshold, and 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.
  - b) 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.
- 16.** 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.
- 17.** Our services as detailed above are subject to the limitations on our liability set out in the engagement letter and in paragraphs 17 and 18 of our standard terms and conditions. These are important provisions which you should read and consider carefully.