

ENGAGEMENT LETTER

PARTNERSHIP TAX 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 PARTNERSHIP TAX RETURN SERVICES

1.1. Recurring compliance work

- 1.1.1. We will prepare the partnership self-assessment tax returns and the annual partnership statements, together with any supplementary pages required, from the information and explanations that the partnership provides to us. After obtaining your approval and signature, we will submit these to HM Revenue & Customs (HMRC).
- 1.1.2. We will prepare the partnership 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 partnership's business accounts for inclusion in the partnership tax return.
- 1.1.4. If instructed by you, we will advise you as partners on possible partnership tax-return-related claims and elections arising from information supplied by the partnership in the form and manner required by HMRC.
- 1.1.5. If instructed, we will provide each partner or their agent with details of the partner's allocations from the return based on the partnership statement to enable partners to fill in their self-assessment tax returns.
- 1.1.6. The work carried out within this engagement will be in respect of the partnership's tax affairs. Any work to be carried out for the individual partners (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 preparing accounts on the cash basis and helping you to make the requisite election;
 - b) dealing with any enquiry opened into the partnership tax return by HMRC; and
 - c) 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), practice, or public policy that are first published after the date on which the advice is given.

1.4. Your responsibilities

1.4.1. The partners 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. Taxpayers who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns and partnership statements we have prepared for the partnership are correct and complete before approving and signing them.

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

- a) that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
- b) to provide all information necessary for dealing with the partnership 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 partnership affairs; and
- d) to provide us with information in sufficient time for the partnership tax returns to be completed and submitted by the due date of 31 January following the end of the tax year; to do this, we need to receive all relevant information by 31 October ; if feasible, we may agree to complete your returns within a shorter period but may charge an additional fee of £50.00 for so doing.

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

1.4.5. Form 64-8 will need to be signed and submitted to HMRC- thereby authorising HMRC to communicate with us as your agent.

1.4.6. 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 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.

1.4.7. You are responsible for monitoring the partnership's monthly turnover to establish whether the partnership is liable to register for VAT if it is not already registered. If you do not understand what you need to do, please ask us. If turnover exceeds the UK VAT registration threshold, and you wish us to assist in notifying HMRC of the partnership's obligation to be VAT registered, we will be pleased to assist in the VAT registration process. You should notify us of your instructions to assist in the VAT registration in good time to enable a VAT registration form to be submitted within the time limit of one month following the month in which the VAT registration threshold in force at that time was exceeded. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result. The same applies for equivalent non-UK taxes.

1.4.8. 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.