



AJ FOLIGNO - FCCA

Chartered Certified Accountants &
Specialists in Small Business Enterprises

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 prepare your monthly/quarterly VAT returns 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 work

6. Where you have instructed us to do so, we will also provide such other ad hoc taxation 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 such 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 Intrastat returns/EC Sales List/ EU VAT MOSS 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.
 - Reviewing and advising all applicable material if you meet the MTD (Making Tax Digital) VAT threshold based on your income turnover. The current threshold is £85,000.
7. Where specialist advice is required on occasions, we may need to seek this from or refer you to appropriate specialists.



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Changes in the law

8. 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.
9. We will accept no liability for losses arising from changes in the law or the interpretation thereof 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 VAT returns are correct and complete.
 - (b) Filing any returns by the due date.
 - (c) Making payment of VAT 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 they approve and sign 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 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.
 - (d) To provide us with all the records relevant to the preparation of your monthly/quarterly VAT returns as soon as possible after the return period ends. If enrolled for MTD VAT then we will need to be provided with all relevant business records digitally (unless advised otherwise). 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/review and submission of the VAT return, we accept no responsibility for any "default surcharge" penalty that may arise.
 - (e) If enrolled for MTD VAT then you must be signed up to HMRC for MTD VAT at least 3 working days before your submission deadline. Where payment is made by direct debt, the



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signing up deadline is at least 11 working days before your submission is due. You must provide us with the required information prior to this deadline.

12. You will keep us informed of material changes in circumstances that could affect your VAT obligations. Such as, your taxable turnover increasing above the VAT threshold which will therefore require your financial records to be stored and submitted digitally to HMRC. 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 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.
15. If you are involved with any other business that 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.
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 with HMRC that you are not completely satisfied with.
17. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions of business. These are important provisions that you should read and consider carefully.