

## **TWP ACCOUNTING LLP: CORPORATE TAX SERVICES**

This schedule should be read in conjunction with the engagement letter and our standard terms and conditions. The schedule sets out the basis on which we act as tax agents and our respective responsibilities. It is agreed that we should carry out the following services as your agents on the basis that you will make full disclosure to us of all relevant information.

### **1 OUR SERVICE TO YOU: RECURRING COMPLIANCE WORK**

- 1.1 We will prepare from the accounts and other information and explanations provided by you the company's corporation tax self assessment (CTSA) return and computations in respect of each accounting period together with all supporting schedules on your behalf and, if necessary, amended returns.
- 1.2 As agents, we have agreed to prepare your accounts and to provide a tagging service on your behalf using commercially available software accredited by HM Revenue & Customs (HMRC) which we rely on upon to ensure all mandatory tags are applied. We will not be responsible for any errors in tagging that may arise as a result of inherent deficiencies in the software.
- 1.3 We will, to the extent we consider necessary, manually amend or apply tags where the software has not applied automatic tagging or where we consider any automatic tagging to have been inappropriate. We will not accept liability or any financial penalty or loss or other damage arising from any rejection of the iXBRL accounts by HMRC or otherwise as a result of incorrect or inappropriate tagging.
- 1.4 We will forward to you the tax return and supporting schedules for your approval and signature by an authorised nominated director. After obtaining the written approval and signature of the proper officer or other person authorised to act for the company in this regard, we will submit the return, computation and accounts online to HMRC in the required Extensible Business Reporting Language (XBRL) format. You authorise us to file returns electronically to HMRC.
- 1.5 It is mandatory for the company tax return to be delivered electronically using the iXBRL, a type of computer language format, which includes the statutory accounts. It is the company's responsibility to ensure that the accounts have been accurately tagged.
- 1.6 We will tell you how much tax the company should pay and when. If appropriate, we will initiate repayment claims when tax has been overpaid. We will advise on the interest and penalty implications if corporation tax is paid late.
- 1.7 We will inform you if instalment payments of corporation tax are due for an accounting period and the dates they are payable. We will calculate the quarterly instalments which should be made on the basis of information supplied by you by the date agreed.
- 1.8 We will advise as to claims and elections arising from the tax return and from information supplied by you and, where instructed by you, we will make such claims and elections in the form and manner required by HMRC.
- 1.9 We shall advise you as to appropriate payments of corporation tax and S455 CTA2010 liabilities (loans to participators).
- 1.10 We will deal with all communications relating to the company's tax return addressed to us by HMRC or passed to us by the company. However, if HMRC choose you for a review or enquiry this work will be the subject of a separate assignment and we will seek further instructions from you.
- 1.11 We will prepare the tax provisions and disclosures to be included in the company's statutory accounts.

## **2 AD HOC AND ADVISORY WORK**

2.1 Where you have instructed us to do so, we will provide 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 such work when it is commissioned by you. Examples of such work include:

- Advising you when corporation tax is due on loans by the company to directors or shareholders or their associates, and calculating the payments due or the amount repayable when the loans are repaid;
- Dealing with any enquiry opened into the company's tax return by HMRC; and
- Preparing any amended returns which may be required and corresponding with HMRC as necessary.

2.2 Where specialist advice is required on occasions we may need to seek this from appropriate specialists.

## **3 CHANGES IN THE LAW, IN PRACTICE OR IN PUBLIC POLICY**

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 or your circumstances.

3.2 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

## **4 YOUR RESPONSIBILITIES**

4.1 The Directors, on behalf of the company, are legally responsible for:

- ensuring that the CTSA return (including tagging) is correct and complete;
- filing any returns by the due date; and
- 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 that we have prepared for the company are complete before he/she approves and signs them.

4.2 To enable us to carry out our work the Directors agree:

- to provide us with approved accounts for the company;
- that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
- to provide full information necessary for dealing with the company's affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- to provide us with information on advances or loans made to directors, shareholders or their associates during an accounting period and any repayments made or write-offs authorised within three months of the end of the relevant accounting period.

- to authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with the company's affairs;
  - to provide us with information in sufficient time for the company's CTSA return to be completed and submitted by the due date following the end of the tax year;
  - to provide information on matters affecting the company's tax liability for the accounting period in respect of which instalments are due at least four weeks before the due date of each instalment. This information should include details of trading profits and other taxable activities up to the date the information is provided, together with estimates to the end of the accounting period; and
  - to provide us with information on advances or loans made to directors, shareholders or their associates during an accounting period and any repayments made or write offs authorised at the latest within three months of the end of the relevant accounting period.
- 4.3 The Directors will keep us informed of material changes in circumstances that could affect the tax liabilities of the company. If the Directors are unsure whether the change is material or not please let us know so that we can assess its significance.
- 4.4 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.
- 4.5 The work carried out within this engagement will be in respect of the company's tax affairs. Any work to be carried out for the directors on a personal basis will be set out in a separate letter of engagement.

## **5 DATA PROTECTION**

- 5.1 We are committed to ensuring the protection of the privacy and security of any personal data which we process. Your attention is drawn to paragraph 21 of our standard terms and conditions of business which details how we treat personal data received by us in the provision of our services during our engagement with you.

## **6 LIMITATION OF LIABILITY**

- 6.1 Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 13 of our standard terms and conditions. These are important provisions which you should read and consider carefully.