

SCHEDULE H

LIMITED LIABILITY PARTNERSHIPS (LLP) TAX RETURNS

This schedule should be read in conjunction with the engagement letter and the terms of business.

1. RESPONSIBILITIES AND SCOPE FOR LIMITED LIABILITY PARTNERSHIPS (LLP) TAX RETURN SERVICES

1.1 Recurring compliance work

1.1.1 We will prepare the LLP self-assessment tax return which includes the annual partnership statements, together with any supplementary pages required, from the information and explanations that the LLP provides to us. After obtaining your evidenced approval, we will submit these to HM Revenue & Customs (HMRC).

1.1.2 We will prepare the LLP's 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 LLP's business accounts for inclusion in the partnership tax return.

1.1.4 If instructed by you, we will advise you as members of the LLP on possible partnership-tax-return-related claims and elections arising from information supplied by the LLP in the form and manner required by HMRC.

1.1.5 If instructed, we will provide each member, or their agent, with details of the member's allocations from the return based on the partnership statement to enable members to fill in their self-assessment tax returns.

1.1.6 The work carried out within this engagement will be in respect of the LLP's tax affairs. Any work to be carried out for the individual members (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 ad hoc transactions (for example the sale or purchase of assets);
- 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) or practice or in public policy that are first published after the date on which the advice is given.

1.4 Your responsibilities

1.4.1 The members 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 Legal responsibility for approval of the return cannot be delegated to others. You agree to check that returns that we have prepared for the LLP are correct and complete before approving them.

1.4.3 You are no less responsible for errors in unapproved returns, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the returns.

1.4.4 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 LLP's 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 LLP's affairs; and
- d) to provide us with information in sufficient time for the LLP tax return to be completed and submitted by the due date.

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

1.4.6 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.

- 1.4.7 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 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.
- 1.4.8 You are responsible for monitoring the LLP's monthly turnover to establish whether the LLP 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 it exceeds the UK VAT registration threshold, and you wish us to assist in notifying HMRC of its liability 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.
- 1.4.9 Where you are importing relevant goods into the EU to be supplied to non-taxable persons (final destination of the goods being within the EU), the IOSS can be used by both EU and non-EU established suppliers. If you are importing goods into the EU to be supplied to non-taxable persons but do not or cannot use the IOSS then you will probably have to VAT register in the Member State of importation.
- 1.4.10 If you are making distance supplies of goods within the EU, eg France to Germany (B2C), you can use the Union One Stop Shop (OSS). The non-Union OSS can be used for **any** services where the place of the supply of the service is in the EU and the supplier is non-EU established (B2C again).
- 1.4.11 There may be other circumstances where the Union or non-Union OSS can be used, eg domestic supplies of goods by deemed suppliers, but, broadly, if you are not within any of the above, you may need to VAT-register in the Member State in which you make the supply of the goods or services.
- 1.4.12 You are responsible for employment taxes, pensions (including auto-enrolment) and the assessment of the employment status of your workers. If your business is not small, you are responsible for assessing the employment status under the off-payroll working rules of any contractors providing services to your business and for employment taxes if they are deemed employees. If you do not understand what you need to consider or what action you need to take, please ask us. We will not be in a position to assist you in complying with your responsibilities if we are not engaged to provide such a service. We are not responsible for any penalty that is incurred.