

Carpenter Keen LLP

Standard Terms of engagement – VAT

The purpose of these terms which should be read with our Standard Terms of Business is to set out the basis on which we accept appointments as and continue to act as your accountants and advisers and our respective responsibilities.

These are general terms of engagement intended to cover a range of services, not all of which may be relevant to a particular engagement. Where we are engaged to provide services which are not included in these standard terms, additional terms will be agreed as appropriate.

We are bound by the ethical guidelines of the Institute of Chartered Accountants in England and Wales and accept instructions to act on the basis that we will act in accordance with those ethical guidelines.

VAT Compliance

These terms sets out the basis on which we will act in relation to your VAT affairs. You or your business is legally responsible for making a correct VAT return, and for payment of its VAT on time. Our appointment as agents does not absolve it from its statutory obligations. We would therefore draw your attention to the normal time limit of one month from the end of the period covered by the return. For online filings of returns this deadline is extended by 7 days to one month and 7 days after the return period. By this time, the return must be signed by the appropriate person within the business and be in the possession of HM Revenue and Customs (HMRC). Substantial penalties may arise if this time limit is not observed. It is therefore essential that we, as your agent, are supplied with all relevant information in good time so that we can complete the return on your behalf.

Starting with the return period to be agreed in advance we shall be responsible for preparing your VAT returns from the records of the business, we shall not audit or otherwise check the underlying records. When the VAT return has been completed from the information supplied, we shall send you the return details as soon as possible of the receipt of records with copies of our working papers for you to review. If you are satisfied you should then sign the return and submit it to HMRC or authorise us to submit it to HMRC on your behalf. If you think the return is incorrect please consult us immediately.

The preparation of the VAT returns will be carried out by ourselves as agents for and whilst we shall prepare the returns as accurately as possible from the information made available to us, we can take no responsibility for the completeness and accuracy of the information which is supplied to us. In particular, we can accept no responsibility for any default surcharge that may arise if:

- the books and records are not available to us within 10 days after the return period ends;
- the books and records prove to be incomplete or unclear, thereby delaying the preparation and submission of the VAT return; or
- you fail to submit the return to HMRC on time after we have sent the return to you for signature timeously.

In order for us to prepare the VAT returns, we shall require the following information:

- (1) All VAT returns submitted to HMRC in the current VAT year;
- (2) Blank returns or notices to deliver a VAT Return issued by HMRC;

- (3) Debit and credit notes received or issued in the relevant period;
- (4) The Books required (e.g. "sales day book, cash book and petty cash book") for the relevant period;
- (5) Details of errors for which adjustment is now required;
- (6) Details of all transactions which will not be covered by the above whether trading or otherwise;
- (7) Details of special rulings by HMRC;
- (8) Details of any VAT penalty notices with ongoing relevance;

in respect of all transactions which have come to light since the last VAT return was prepared, and which require adjustment.

VAT consultancy

We shall provide consultancy advice on VAT matters (such as specific transactions which are contemplated) as and when requested to do so by yourselves.

Revised March 2014