

PERSONAL TAX

1. YOUR RESPONSIBILITIES

1.1 Even though you are engaging us to help you meet your self-assessment obligations, you are legally responsible for:

- Ensuring that your self-assessment tax return 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.

Taxpayers who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns we have prepared for you are complete before you approve and sign them.

Note that for the purpose of this letter of engagement, the filing of your self-assessment tax return refers to the return for the period being submitted to HMRC in an electronic format over the internet.

1.2 To enable us to carry out our work you agree:

- 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 all information necessary for dealing with your affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- To advise whether you are entitled to receive child benefit in respect of a child that lives with you (whether or not you are the parent of that child);
- To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs; and
- To provide us with information in sufficient time for your tax return to be completed and submitted by the due date following the end of the tax year. In order that we can do this, we need to receive all relevant information by 30th September.

1.3 You will keep us informed of material changes in your circumstances that could affect your tax liability. If you are unsure whether the change is material or not please let us know so that we can assess its significance.

1.4 You will forward to us on receipt copies of all HMRC statements of account, coding notices, notice of assessment, letters and other communications received from the HMRC 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 agent form 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.

- 1.5 It is our policy to confirm in writing advice upon which you may wish to rely.
- 1.6 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. 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.

2. OUR RESPONSIBILITIES

- 2.1 We will prepare your self-assessment tax returns together with any supplementary pages required from the information and explanations that you provide to us. After obtaining your approval and signature, we will submit your returns to HMRC.
- 2.2 We will prepare your business accounts in accordance with generally accepted accounting practice, the cash basis election that you have made from the books, accounting records and other information and explanations provided to us on your behalf.
- 2.3 We will calculate your income tax and any capital gains tax (CGT) liabilities and tell you how much you should pay and when. We will advise on the interest, penalty and surcharge implications if tax is paid late. We will also check HMRC's calculation of your tax and initiate repayment claims if tax has been overpaid.
- 2.4 Other than as regards tax credits (see below), we will advise you as to possible tax return related claims and elections arising from information supplied by you. If instructed by you, we will make such claims and elections in the form and manner required by HMRC.
- 2.5 We will review PAYE notices of coding where such notices are forwarded to us and advise accordingly.
- 2.6 We will deal with all communications relating to your return addressed to us by HMRC or passed to us by you. However, if HMRC choose your return for enquiry this work may need to be the subject of a separate assignment in which case we will seek further instructions from you.
- 2.7 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. 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.

- 2.8 We are able to offer fee protection insurance to cover the cost of our fees arising from HMRC investigations. If you would like further details of this service please let us know.
- 2.9 Where you have instructed us to do so, we will also provide such other taxation advisory and ad-hoc services as may be agreed between you and us from time to time. These may be the subject of a separate letter of engagement, at our option. Where appropriate, we will discuss and agree an additional fee for such work when it is commissioned by you. Where specialist advice is required on occasions, we may need to seek this from, or refer you to an appropriate specialist.

Tax credits

EITHER

- 2.10 If we agree to advise you on tax credits we will issue a separate letter of engagement to cover this area. Tax credits are, in effect, a social security benefit. Your entitlement or otherwise will depend not only on your own circumstances but also those of your household and we would require all relevant information to advise in this regard.

OR

- 2.10 You have not asked us to become involved in your affairs with regard to tax credits.

You and your spouse /partner

- 2.11 We shall advise you and your spouse /partner on the basis that you are a family unit. You both agree that in all matters relating to your or your spouse's /partner's tax and financial affairs, we may deal directly with either of you and we may discuss with either of you the tax liabilities and/or financial affairs of the other. If you wish to make any change to these arrangements at any time, please let us know.
- 2.12 In order for us to act for you as a couple in respect of a joint claim, you undertake that all instructions, information or explanations either of you gives us will be on behalf of both of you, unless you specifically tell us otherwise. Similarly, if one of you signs a document, it will be on behalf of both of you unless you instruct us to the contrary. If a conflict of interest should arise between you in relation to any matter to do with your joint claim or entitlement, we reserve the right to cease acting for both of you, or to advise one or other of you to obtain independent advice.