

CORPORATION TAX

1. YOUR RESPONSIBILITIES

1.1 Even though you are engaging us to help you meet your corporation tax obligations, the Directors, on behalf of the company are legally responsible for:

- Ensuring that the company's tax return (including XBRL tags and iXBRL file) 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 we have prepared for the company are complete before he/she approves and signs them.

Note that for the purpose of this letter of engagement, the filing of, "company's tax return" refers to the corporation tax self assessment return, corporation tax computations and the company's financial statements for the period being submitted to HMRC in an Inline eXtensible Business Reporting Language ("iXBRL"), including, where appropriate, iXBRL tagging.

1.2 To enable us to carry out our work the Directors 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 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 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 tax return to be completed and submitted by the due date. In order that we can do this, we need to receive all relevant information by 30 days earlier at least. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee for so doing;
- 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 least within three months of the end of the relevant accounting period.
- 1.3 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.
 - 1.4 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 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 the company 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.
 - 1.7 We will be pleased also to advise the directors and executives on their personal income tax and capital tax affairs. In such cases we will need to agree separate terms with the individuals concerned.
 - 1.8 You are responsible for monitoring the monthly turnover to establish whether the company 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 the company turnover exceeds the VAT registration threshold, and you wish us to assist in notifying HMRC of the company's obligation to be VAT registered, we will be pleased to assist in the VAT registration process. You should notify us of your instructions to act in relation to the company's 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 current VAT registration turnover threshold was exceeded. We will not be responsible if we are not notified in time and a late registration penalty is incurred.

2. OUR RESPONSIBILITIES

- 2.1 We will prepare the corporation tax computation and supporting schedules required for the preparation of the company corporate tax return from the accounts, information and explanations provided to us on your behalf.
- 2.2 We will prepare the company's corporate tax return, using appropriate commercial software to apply XBRL tags to items in the accounts as we consider appropriate for the purposes of submission of the accounts in iXBRL via the ROS (HMRC Online Services) for tax purposes. We will, to the extent we consider necessary, manually amend or apply tags if the software has not applied automatic tagging or where we consider any automatic tagging to have been inappropriate. We will provide you with detailed information regarding the tagging applied for your approval.
- 2.3 After obtaining the approval and signature of an authorised nominated director, we will submit the company's corporate tax return to HMRC. We will not accept liability for 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.
- 2.4 We will tell you how much tax the company should pay and when. Where 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.
- 2.5 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.
- 2.6 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.
- 2.7 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 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.
- 2.8 We will help you in preparing the tax provisions and disclosures to be included in the company's statutory financial statements.
- 2.9 We are able to offer fee protection to cover insurance the cost of our fees arising from HMRC investigations. If you would like further details of this service please let us know.
- 2.10 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.

2.11 In relation to groups and consortia of which your company is a member, and in respect of which you have instructed us to act, we will provide the following additional services:

- a) Where instructed to advise on the tax treatment of intra-group payments of dividends, charges and interest;
- b) We will advise on the eligibility of companies to make elections in relation to such payments;
- c) We will prepare and submit to HMRC elections relating to intra-group payments of dividends, charges and interest;
- d) We will deal with all communications relating to elections addressed to us by HMRC; and
- e) Where instructed, in respect of claims for group and consortium relief:
 - i. We will advise as required on claims for group and consortium relief and the interaction with other reliefs;
 - ii. We will prepare and submit to HMRC appropriate claims;
 - iii. We will adjust corporation tax computations and returns to reflect the surrender and receipt of group and consortia relief;
 - iv. We will advise on arrangements for payment of tax and the surrender and set-off of tax refunds within the group; and
 - v. We will advise on claiming eligible unrelieved foreign tax ('EUFT') or the surrender of any amount of EUFT.