

SCHEDULE OF SERVICES – Limited Liability Partnership Accounts Preparation and Partnership Tax (Version June 2018)

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

RESPONSIBILITIES AND SCOPE FOR FINANCIAL STATEMENTS PREPARATION SERVICES

Your responsibilities as members

As members of the limited liability partnership, you are responsible for preparing financial statements which give a true and fair view and which have been prepared in accordance with the Companies Act 2006 (the Act). As members you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the limited liability partnership.

The accounts we prepare for filing purposes will, unless you instruct us otherwise, be prepared on the basis of taking all available filing exemptions and so may not be identical to the accounts prepared for members

Where you have instructed us to prepare abridged accounts under The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 as amended by The Limited Liability Partnerships, Partnerships and Groups (Accounts and Audit) Regulations 2016. As designated members, you are responsible for obtaining the necessary consents from all members and for delivering the required statement to the registrar.

In preparing the financial statements, you are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

You are responsible for keeping adequate accounting records that set out with reasonable accuracy at any time the limited liability partnership's financial position, and for ensuring that the financial statements comply with applicable accounting standards and with the Companies Act 2006 and give a true and fair view. By approving the financial statements you will be acknowledging this responsibility.

You are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

You are also responsible for deciding whether, in each financial year, the limited liability partnership meets the conditions for exemption from an audit, as set out in section 477, 479A or 480 of the Companies Act 2006, and for deciding whether the exemption can be claimed that year. Please ask us if you would like clarification on these conditions.

You are responsible for ensuring that the limited liability partnership complies with the laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.

You have undertaken to make available to us, as and when required, all the limited liability partnership's accounting records and related financial information and explanations, including minutes of management and shareholders', members' meetings, that we need to do our work. This is required to be confirmed in the members' report along with an acknowledgement that the financial statements have been prepared on an appropriate accounting basis.

If financial information is published — on the limited liability partnership's website or by other electronic means — which includes a report by us or otherwise associated with us, you must inform us of the electronic publication and get our consent before it occurs and ensure that it presents the financial information and chartered accountants report properly. We have the right to withhold consent to the electronic publication of our report or the financial statements if they are to be published in an inappropriate manner.

It is your responsibility to set up controls to prevent or detect quickly any changes to electronically published information. We are not responsible for reviewing these controls or for keeping the information under review after it is first published. You are responsible for the maintenance and integrity of electronically published information, and we accept no responsibility for changes made to any information after it is first posted.

Our responsibilities as accountants

You have asked us to help you prepare the financial statements in accordance with the requirements of the Companies Act 2006, to enable profits to be calculated to meet the requirements of current tax legislation and to provide sufficient and relevant information to complete a tax return. We will compile the financial statements for your approval based on the accounting records and the information and explanations that you give us. .

We will plan our work on the basis that no report on the financial statements is required by statute or regulation for the year, unless you inform us in writing to the contrary. We will make enquiries of management and undertake any procedures that we judge appropriate but are under no obligation to perform procedures that may be required for assurance engagements such as audits or reviews.

You have told us that the limited liability partnership is exempt from an audit of the financial statements. We will not check whether this is the case. However, if we find that the limited liability partnership is not entitled to the exemption, we will inform you. Our work will not be an audit of the financial statements in accordance with International Standards on Auditing (UK), so we will not be able to provide any assurance that the accounting records or the financial statements are free from material misstatement, whether caused by fraud, other irregularities or error, or to identify weaknesses in internal controls. Since we will not carry out an audit or confirm in any way the accuracy or reasonableness of the accounting records, we cannot provide any assurance whether the financial statements that we prepare from those records will present a true and fair view.

We will advise you on whether your records are adequate for preparation of the financial statements and recommend improvements on anything we come across during the course of our work.

We have a professional duty to compile financial statements that conform with generally accepted accounting principles from the accounting records and information and explanations given to us. The accounting policies on which the financial statements have been compiled will be disclosed in the notes to the financial statements and will be referred to in our accountants' report. We will not compile financial statements if the accounting principles, or the accounting policies selected by management, are inappropriate.

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

Recurring compliance work

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 approval and signature, we will submit these to HM Revenue & Customs (HMRC).

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.

We will prepare the income and capital gains computations based on the LLP's business accounts for inclusion in the partnership tax return.

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.

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.

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.

Excluded, ad hoc and advisory work

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:

- dealing with any enquiry opened into the partnership tax return by HMRC; and
- preparing any amended returns which may be required and corresponding with HMRC as necessary.

If specialist advice is required, we may need to seek this from, or refer you to, appropriate specialists.

Changes in the law, in practice or in public policy

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) or practice or in public policy that are first published after the date on which the advice is given.

Your responsibilities

The members are legally responsible for:

- ensuring that the partnership self-assessment tax returns are correct and complete;
- filing any returns by the due date; and
- paying tax on time.

Failure to do any of the above may lead to penalties and/or interest.

Taxpayers who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns and partnership statements that we have prepared for the LLP are correct and complete before approving and signing them.

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 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;
- 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
- to provide us with information in sufficient time for the LLP tax return to be completed and submitted by the due date following the end of the tax year; to do this, we need to receive all relevant information within 6 months of the period end; if feasible, we may agree to complete your return within a shorter period but may charge an additional fee for so doing.

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.

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. In some circumstances we may also send a form 64-8 for you to sign and return to us for submission to HMRC. This authorises HMRC to communicate with us as your agent, although they consider that you should still take 'reasonable care' over your tax affairs.

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 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.

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.

If you provide digital services to consumers in the EU, you are responsible for either registering for VAT in that member state or registering for VAT Mini One Stop Shop (MOSS) in the UK.

You are responsible for employment taxes, pensions (including auto-enrolment) and the assessment of the tax status of your workers. 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.