

Schedule of Services for Limited Company Clients

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

Preparation of Statutory Financial Statements in Compliance with Companies Act 2006

Responsibilities and scope for financial statements preparation services

Your responsibilities

1. 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 directors 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 company.
2. In preparing the financial statements, you are required to:
 - a. select suitable accounting policies and then apply them consistently;
 - b. make judgements and estimates that are reasonable and prudent; and
 - c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
3. You are responsible for keeping adequate accounting records that set out with reasonable accuracy at any time the company's financial position, and for ensuring that the financial statements comply with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UKGAAP)), applicable Financial Reporting Standards, the Companies Act 2006 and give a true and fair view.
4. You are also responsible for safeguarding the assets of the company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.
5. You are also responsible for deciding whether, in each financial year, the company meets the conditions for exemption from an audit, as set out in section 477 or 480 of the Companies Act 2006, and for deciding whether the exemption cannot be claimed that year.
6. You are responsible for ensuring that the company complies with laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.

7. You have undertaken to make available to us, as and when required, all the company's accounting records and related financial information, including minutes of management and shareholders'/directors'/members' meetings, that we need to do our work.
8. If financial information is published, which includes a report by us or is otherwise connected to us, on the company's website or by other electronic means, you must inform us of the electronic publication and get our consent before it occurs and ensure that it presents the financial information properly. We have the right to withhold consent to the electronic publication of the financial statements if they are to be published in an inappropriate manner.
9. You must set up controls to prevent or detect quickly any changes to electronically published information. We are not responsible for reviewing these controls nor 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

10. You have asked us to help you prepare the financial statements in accordance with the requirements of the Companies Act 2006. We will compile the financial statements for your approval based on the accounting records and the information and explanations that you give us.
11. We will make enquiries of management and undertake any procedures that we judge appropriate. Where an assurance or agreed upon procedures engagement is to be undertaken, then the full details of what is to be undertaken and the result of that work needs to be agreed in writing.
12. We will advise you on whether your records are adequate for preparation of the financial statements and recommend improvements.
13. 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 an accounting policy and will be referred to in our accountants' report. We will not compile financial statements where the accounting principles, or the accounting policies selected by management are inappropriate.
14. We also have a professional responsibility not to allow our name to be associated with financial statements which we believe may be misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the financial statements may be misleading, we will discuss the matter with you with a view to agreeing

appropriate adjustments and/or disclosures in the financial statements. In circumstances where adjustments and/or disclosures that we consider appropriate are not made or where we are not provided with appropriate information, and as a result we consider that the financial statements is misleading, we will withdraw from the engagement.

Corporation tax – including iXBRL tagging services

Recurring compliance work

1. We will use appropriate software to apply iXBRL tags to items in the accounts as we consider appropriate for the purposes of acceptable submission of the accounts to HM Revenue & Customs (HMRC).
2. We will, to the extent we consider necessary, manually amend or apply tags where the software has not applied automatic tagging or where we consider any automatic tagging to have been inappropriate.
3. When requested we will provide you with detailed information regarding the tagging applied for your approval.
4. We will prepare the company's corporate tax self assessment (CT600) return. After obtaining the approval and signature of an authorised nominated director, we will submit it 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.
5. We will prepare the corporation tax computation and supporting schedules required for preparation of the company tax return from accounts, information and explanations provided to us on your behalf.
6. We will tell you how much tax the company should pay and when. If 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.
7. 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.
8. We will advise you as to possible tax return related claims and elections arising from information supplied by you. Where instructed by you, we will make such claims and elections in the form and manner required by HMRC.

Ad hoc and advisory work

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 from time to time. These may be the subject of a separate engagement letter, at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:
 - a. Advising you when corporation tax is due on loans by the company to directors or shareholders or their associates, and calculating the payments due or the amount repayable when the loans are repaid;
 - b. Dealing with any enquiry opened into the company's tax return by HMRC; and
 - c. Preparing any amended returns which may be required and corresponding with HMRC as necessary.
10. Where specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists.

Changes in the law

11. 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.
12. 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.

Your responsibilities

13. The directors, on behalf of the company, are legally responsible for:
 - a. Ensuring that the CT600 return (including tagging) is correct and complete;
 - b. Filing any returns by the due date; and
 - c. 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.

14. To enable us to carry out our work the directors agree:
 - a. To provide us with approved accounts for the company;
 - b. That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;

- c. 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;
 - d. 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;
 - e. To provide us with information in sufficient time for the company's CT600 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 3 months after the year end. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee;
 - f. 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
 - g. 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 the latest within three months of the end of the relevant accounting period.
15. 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.
16. 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 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.
17. The work carried out within this engagement will be in respect of the company's tax affairs. Any work to be carried out for the directors on a personal basis will be set out in a separate letter of engagement.
18. 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 exceeds the VAT registration threshold, and you wish us to assist in notifying HMRC of the company's liability 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.

