

LAMBERT CHAPMAN LLP

TERMS OF ENGAGEMENT: Partnership Tax Return

Last revised 13 May 2016

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

1. We will prepare the income tax and capital gains tax computations based on the partnership accounts from the accounting records and other information and explanations provided by you.
2. We will prepare the firm's annual partnership return, including the partnership statement of total income, gains, losses, tax credits and charges of the firm for each period of account ending in the return period.
3. We will send you the income tax and capital gains tax computations and the tax return and supporting schedules for you to approve and sign. We will then submit it to the HM Revenue & Customs. You authorise us to file the return electronically.
4. We will give advice to the partners so that they can inform the partnership what amounts of tax are due in respect of their partnership income and gains and we will advise as to appropriate amounts of tax and Class 4 national insurance contributions to be paid and the dates by which the partnership should make the payments. In order to do this we will need to be supplied with relevant information by the partners.
5. We will deal with the HM Revenue & Customs regarding any amendments required to the partnership return and prepare any amended returns which may be required.
6. We will advise as to possible claims and elections arising from the tax return and from information supplied by you. Where instructed by you, we will make such claims and elections in the form and manner required by the HM Revenue & Customs.
7. We will deal with all communications relating to the partnership return addressed to us by the HM Revenue & Customs or passed to us by you. However, if the HM Revenue & Customs choose the partnership tax 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.
8. We will prepare the tax provisions and disclosures to be included in the partnership's financial accounts.
9. We are able to offer a tax investigation service to cover the cost of our fees arising from HM Revenue & Customs investigations. If you would like further details of this service please let us know.

Your Responsibilities: Provision of Information by You

1. You are legally responsible for making correct returns by the due date and for payment of tax on time. Failure to meet the deadlines may result in automatic penalties, surcharges and/or interest.
2. To enable us to carry out our work you agree:
 - a. that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
 - b. to provide full 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;
 - c. that we can approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs;
 - d. to provide us with information in sufficient time for your tax return to be completed and submitted by 31st January following the end of the tax year. In order that we can do this, we need to receive all relevant information by 30th November. Where information is received in December following the end of the tax year, we have the right to levy a £25 surcharge, if received in January, we have the right to increase the surcharge to £50.