

Schedule of Professional Services: Company Taxation

The purpose of this schedule to our engagement letter is to set out the basis on which we are to provide taxation services as your agents on the basis that you will make full disclosure to us of all relevant information.

1 Your responsibilities

1.1.

You as directors, on behalf of the company, are legally responsible for:

- a. ensuring that the Corporate Tax Self-Assessment (CTSA) return (including XBRL tags and iXBRL file) and any other returns submitted are correct and complete.
- b. ensuring that the information in the return is provided in Extensible Mark-Up (XML) format.
- c. filing any returns by the due date; and
- d. making payment of tax on time.

Failure to do any of these may lead to automatic penalties and interest.

1.2.

The CTSA return, together with the supporting corporation tax computations, will be sent to you for written approval prior to submission to the HM Revenue and Customs (HMRC) [in the required iXBRL format], as the legal responsibility for approval of the return cannot be delegated to others.

1.3.

You are no less responsible for errors in unapproved returns, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the returns.

1.4.

It is mandatory for the company tax return to be delivered electronically using the Inline Extensible Business Reporting Language (iXBRL) format, a type of computer language.

1.5.

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 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.
- c. to authorise us to 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 the company tax return to be completed and submitted by its due date. In order that we can do this, we need to

receive all relevant information within 90 days of the year end. If for any reason we do not receive all relevant information within this time, we may at our discretion and depending on our work capacity, still endeavour to complete your tax return so that it can be submitted on time. We reserve the right to make an additional charge for such rush work and will advise you of the amount prior to carrying out the work.

e. 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

- e. to provide us with information on advances or loans made to directors, shareholders, or their associates during an accounting period and any actual or planned repayments or write offs after the accounting period.

1.6.

You will keep us informed of changes in the company's circumstances that could affect its tax liability. If you are unsure whether a change would affect your tax position, then we will be happy to advise you.

1.7.

You agree to forward to us any communications you receive from HMRC in time for us to deal with them as necessary within any time limits. Although HMRC have the authority to deal with us directly, it is still possible for them to contact you without us being aware.

Groups and consortia

1.8.1.

If a parent company is required to prepare both individual and group accounts and it is required to file both of these as part of its online company tax return, you accept full responsibility for the existence, accuracy, consistency and completeness of XBRL tagging within the accounts and to file the individual accounts as an iXBRL document with the relevant XBRL tags embedded.

1.8.2.

Where applicable, we will need to be authorised to contact other group member accountants to ensure that all necessary information and explanations are available. It is the responsibility of the parent company directors to ensure that such information and explanations are correct and complete.

2 Our responsibilities

2.1.

Profit from accounts prepared under generally accepted accounting principles may require adjustment to arrive at the profit figure assessed for tax. Where necessary we will prepare the computations for this adjustment from any accounts work we have done, or accounting records we are holding, as well as information and explanations provided by you.

2.2.

We will prepare the company tax return together with any supplementary pages that are required from the information and explanations you provide to us.

2.3.

It is mandatory for the company tax return to be delivered electronically to HMRC using the Inline Extensible Business Reporting Language (iXBRL) format, a type of computer language. After obtaining the written approval of an appropriately authorised person we will file the return, computation, and accounts online in the iXBRL format.

2.4.

We will convert your accounts in to the required iXBRL format appropriate for the purposes of submission of the accounts to HMRC.

2.5.

We will calculate any tax the company tax return shows the company to have. We will tell you how much to pay and when. We will advise on the interest and penalty implications if any payments are made late. Where we become aware that tax has been overpaid, we will initiate a repayment claim.

2.6.

We will inform you if instalment payments of tax are due for an accounting period and the dates, they are payable. We will calculate the quarterly instalment amounts based on the information supplied by you and advise you of these amounts.

2.7.

We will advise when additional tax is due on loans by the company to directors, shareholders or their associates, and calculate the payments due or the amount repayable when the loans are repaid.

2.8.

We will advise you as to possible claims and elections arising from information supplied by you. Where you instruct us to, we will make such claims and elections in the form and manner required by HMRC.

2.9.

If the company is selected for enquiry by HMRC, we will agree separate terms of engagement. The supplementary engagement terms will include responsibilities and fees as appropriate.

2.10.

Since 17 July 2013 a General Anti-Abuse Rule has been in operation in the UK. This rule enables HMRC to further tackle abusive tax planning schemes. Due to the low probability of eventual success of such schemes and the high ethical standards of this firm, it is our policy not to advise on tax schemes that we consider to be artificial or aggressive in nature. Please let us know if you would like to discuss this matter further or if you feel that you are disadvantaged in any way by the firm's policy on tax avoidance.

Payments under deduction of tax

2.11.1.

If applicable, we will complete, using information provided by you, return form CT61 regarding payments made to and by the company under deduction of tax. We will send the CT61 form to you for approval, signature, and submission by you to HMRC. We will advise you of the amounts of tax that are due, and the due date for payment and submission of the form. You must inform us immediately if the company pays or receives any interest or similar amounts under deduction of tax.

Groups and consortia

2.12.1.

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. We will advise on the tax treatment of intra-group payments of dividends, interest and royalties and similar liabilities.
- b. In respect of dividends, interest, and royalties received, we will advise on the applicability of the relevant double-tax treaty to the withholding tax rate, and assist with obtaining a UK certificate of tax residence.
- c. For dividends, if relevant, we will make any necessary election to tax the dividends in the UK in order to obtain treaty relief.
- d. We will deal with all communications relating to elections addressed to us from HMRC.
- e. Where instructed, in respect of claims for group and consortium relief:
 - o We will advise as required on claims for group and consortium relief and the interaction with other reliefs.
 - o We will prepare and submit to HMRC appropriate claims.

- We will adjust the computations and returns to reflect the surrender and receipt of group and consortium reliefs.
 - We will prepare and submit to HMRC necessary documentation regarding the allocation of losses via group relief and the annual loss allowance.
 - We will advise on arrangements for payment of tax and the surrender and set-off of tax refunds within the group.
 - We will advise on claiming eligible unrelieved foreign tax (EUFT) or the surrender of any amount of EUFT
- f. Where instructed, in respect of intragroup payments of interest:
- We will advise on withholding tax obligations.
 - For cross-border payments we will prepare and submit to HMRC applications to account for no or a reduced amount of withholding tax under the EU Interest and Royalty directive and double-tax treaties, as applicable.
 - Where withholding tax is due, we will complete form CT61 and advise on payment.
 - We will adjust corporation tax computations and returns to reflect interest payments and associated withholding tax, if any.
- g. Where instructed, in respect of intragroup payments of royalties and similar liabilities:
- We will advise on withholding tax obligations.
 - Where withholding tax is due, we will complete form CT61 and advise on payment.
 - We will adjust corporation tax computations and returns to reflect royalty and similar payments and associated withholding tax, if any, and make such additional disclosures in form CT600-H as are appropriate.]

2.12.2.

We shall be pleased to advise you on matters relating to the company's corporation tax liability, the implications of particular business transactions and on other taxation matters which you refer to us, such as national insurance, income tax deducted at source, employee benefits including pensions auto-enrolment, value added tax and inheritance tax. Such services would also be subject to separate terms of engagement.

3 Limitation of liability

We have discussed with you the extent of our liability to you in respect of the professional services described within this engagement letter (the professional services). Having considered both your circumstances and our own, we have reached a mutual agreement that £2.75 million represents a fair maximum limit to our liability.

In reaching this agreement it is also agreed that:

- In the event of any claim for loss or damage arising from the professional services, you have agreed that the sum of £2.75 million represents the maximum total liability to you in respect of the firm, its principles, and staff. This maximum total liability applies to any and all claims made on any basis and therefore includes any claims in respect of breaches of contract, tort (including negligence) or otherwise in respect of the professional services and shall also include interest; and
- We confirm that the limit in respect of our total aggregate liability will not apply to any acts, omissions or representations that are in any way criminal, dishonest or fraudulent on the part of the firm, its principles, or employees.

Revised 1 July 2022