

TAXATION OF COMMUNITY AMATEUR SPORTS CLUB (CASC)

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to the tax affairs of the Community Amateur Sports Club (CASC), a company for tax purposes, and to clarify our respective responsibilities in respect of that work.

This schedule assumes the entity has already registered with and been approved by HMRC as a CASC.

1 Your responsibilities

- 1.1 To maintain compliance with the conditions specified in the Corporation Taxes Act 2010 s. 658 for eligibility as a CASC, and thereby remaining eligible for exemption for certain taxes as set out in sections 662 to 665 of that Act i.e. UK trading income/profit, UK property income, interest and gift aid income and chargeable gains.
- 1.2 To maintain the required accounting records, in particular the analysis between receipts from members and non-members and the identification, if relevant, of any non qualifying expenditure.
- 1.3 The preparation of annual financial statements in accordance with the relevant legislation and applicable accounting standards to enable any tax liabilities to be calculated (see paragraph 2.3 below).
- 1.4 You have asked us to undertake all correspondence with HMRC on your behalf. To avoid any problems please send to us any forms or correspondence received from HMRC as soon as you receive them. In particular would you please ensure that no payments are made to HMRC without our confirmation that the demands are correct. However, if HMRC choose your tax affairs for enquiry this work may need to be the subject of a separate assignment in which case we will seek further instruction from you.
- 1.5 You are legally responsible for making correct returns to HMRC and, if relevant, for the payment of tax on time.
- 1.6 To enable us to carry out our work you agree:
 - (a) to make a full disclosure to us of all sources of income, charges, allowances and capital transactions and to provide full information necessary for dealing with the CASC's tax affairs. This includes, where relevant, details of any income and services provided to non-members. We will rely on the information and documents being true, correct and complete;
 - (b) to respond quickly and fully to our requests for information and to other communications from us;
 - (c) to provide us with information in sufficient time for the CASC's tax returns, if required, to be completed and submitted by the due date following the end of the accounting period. In order to do this, we need to receive all relevant information by the date specified in **Key Facts**;
 - (d) to forward to us on receipt copies of notices of assessment, letters and other communications received from HMRC to enable us to deal with them as may be necessary within the statutory time limits;
 - (e) to inform us of any significant changes that might affect your CASC tax status; and
 - (f) that we may use third parties to process the information for your tax return where we consider that this is necessary in order to provide you with the desired level of service. All our third party service providers have been checked to ensure that they have

appropriate systems in place to safeguard the confidentiality and security of your data and records.

- 1.7 If stated in **Key Facts**, to supply the required information to enable us to complete your online gift aid application.
- 1.8 We have submitted form 64-8 to HMRC which authorises HMRC to deal with us as agents regarding the matters specified on the form in which case they will not correspond with you except to the extent that they are formally required to do so. However, this authority does not apply to all HMRC' correspondence and, even where it does, HMRC sometimes overlook it. You should therefore always send us the originals or copies of all communications you receive from HMRC.

2 Our responsibilities

- 2.1 If stated in **Key Facts**, we will assist with your application to the local authority for the 80% mandatory rate relief, together with a request for the additional 20% voluntary relief. However, we are unable to guarantee acceptance of the voluntary relief.
- 2.2 If stated in **Key Facts**, we will assist with the online application to HMRC for gift aid payments.
- 2.3 If stated in **Key Facts**, to assist you with the preparation of the annual financial statements as set out in Schedule **5.01** (see paragraph 1.3 above).
- 2.4 If the entity's trading income or rental income exceeds the specified limits (currently £50,000 and £30,000 respectively), we will prepare the tax return and supporting schedules and send to you to approve and sign.
- 2.5 We will then submit it, with supporting documentation, to HMRC. Where applicable, you authorise us to file the return electronically.
- 2.6 Where applicable we will advise you of the amounts of tax to be paid and the dates by which the payments should be made. Where appropriate we will initiate repayment claims when tax has been overpaid.
- 2.7 Where appropriate we will also 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 HMRC.
- 2.8 We will send you the CASC's repayment claim and supporting schedules for you to approve and sign. We will then submit this to HMRC on your behalf.
- 2.9 We are able to offer fee protection insurance to cover the cost of our fees arising from HMRC investigations. If you would like further details of this service please let us know.
- 2.10 We will be pleased to assist the CASC generally in tax matters if you advise us in good time of any proposed transactions and request advice. We would, however, warn you that because tax rules change frequently you must ask us to review any advice already given if a transaction is delayed, or if an apparently similar transaction is to be undertaken.
- 2.11 It is our policy to confirm in writing advice upon which the CASC may wish to rely.