

Clearline Accounts

Client Engagement Letter — VAT Recovery Services

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Date: _____

Between: Clearline Accounts ("we", "us") and _____ ("you", "the Client"),
of _____.

1. Scope of Services

We will act on your behalf to identify, assess, and pursue recovery of VAT under one of two routes, as applicable to your business: (a) UK businesses reclaiming input VAT related to exported goods or services, or (b) non-UK businesses reclaiming VAT paid on UK business purchases under HMRC's Overseas VAT Refund Scheme (form VAT65A), where your business is not established or VAT-registered in the UK. This includes:

- Reviewing eligibility for zero-rating on export sales and ensuring correct treatment on your VAT Return
- Identifying input VAT recoverable on costs related to your exports
- Preparing and submitting claims to HMRC, including form VAT65A where applicable for overseas business refunds
- For non-UK clients: reviewing your Certificate of Status and confirming reciprocity eligibility with HMRC's requirements before submitting a claim
- Corresponding with HMRC as your authorised agent on matters directly relating to this engagement

This engagement is limited to the VAT recovery work described above and does not include other bookkeeping, payroll, or tax services unless separately agreed in writing.

2. Our Fee

Our fee for this service is [15]% of the total VAT successfully recovered as a direct result of our work (the "Success Fee"). No fee is payable on any portion of a claim that is rejected, reduced, or not recovered by HMRC.

[Optional: a fixed administration fee of £75 applies per claim submitted, regardless of outcome, to cover preparation time.]

VAT will be added to our fee if and once Clearline Accounts becomes VAT-registered.

3. Payment Terms

Our Success Fee is invoiced once HMRC has paid the recovered VAT into your nominated bank account. Invoices are payable within [14] days of the invoice date.

4. Your Responsibilities

To allow us to act promptly and accurately on your behalf, you agree to:

- Provide accurate, complete records, invoices, and evidence of export (customs documentation, shipping records, etc.) when requested
- Respond to information requests within a reasonable time, as claims are often subject to strict HMRC deadlines
- Complete the required authorisation to allow us to act on your behalf: HMRC's digital agent authorisation for UK VAT matters, or a Power of Attorney / HMRC-specified letter of authority if you are a non-UK business
- For non-UK clients: provide a valid Certificate of Status from your home tax authority, confirming your business registration
- Notify us promptly of any changes to your VAT registration status or business circumstances relevant to this engagement

5. Limitations

We will use reasonable professional care and skill in assessing and pursuing VAT recovery on your behalf. However:

- We cannot guarantee that HMRC will approve any claim, in whole or in part
- HMRC's decisions on VAT claims are final and outside our control
- Our liability in connection with this engagement is limited to the total fees paid by you under this letter

6. Confidentiality & Data Protection

We will treat all information you provide as confidential and process personal data in accordance with UK GDPR and the Data Protection Act 2018. Information will only be shared with HMRC or other parties as necessary to deliver this engagement, or as required by law.

7. Anti-Money Laundering

As a supervised business under the Money Laundering Regulations, we are required to carry out client due diligence checks before and during this engagement. We may request identification documents and information about the nature of your business as part of this process.

8. Termination

Either party may terminate this engagement by giving [14] days' written notice. Fees relating to work completed, or claims already submitted, up to the date of termination remain payable.

9. Agreement

By signing below, both parties agree to the terms set out in this engagement letter.

Signed for Clearline Accounts:

Name: _____

Date: _____

Signed for the Client:

Name: _____

Date: _____