

## STANDARD TERMS AND CONDITIONS IN RESPECT OF THE WORK UNDERTAKEN FOR [Name: ]

### 1. Introduction

1.1 These terms and conditions set out the general terms under which we undertake our business. The specific conditions relating to particular assignments will be covered in a separate letter of engagement.

### 2. Ethical Guidelines

2.1 We are bound by the ethical guidelines of the Chartered Institute of Management Accountants (CIMA), and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines.

### 3. Fees

3.1 Our fees are computed on the basis of time spent on your affairs by Partners and our staff, and on the levels of skill and responsibility involved. A full list of the time spent and the charge out rates used is available on request.

3.2 From time to time we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead, as such fee quotes need to be reviewed. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.

3.3 If it is necessary to carry out work outside the responsibilities outlined in the letter of engagement it will involve additional fees. Accordingly we would like to point out that it is in your interest to ensure that your records are completed to the agreed stage.

3.4 In the case of a dispute over the level of fees charged we reserve the right to require that the matter is dealt with through arbitration. We recommend that arbitration is undertaken in line with guidelines provided by Accounting Bodies from time to time.

3.5 All invoices will be charged inclusive of VAT unless indicated otherwise.

3.6 If you do not accept that an invoiced fee is fair and reasonable you must notify us within 14 days of receipt, failing which you will be deemed to have accepted that payment is due.

3.7 If a client company, trust or other entity is unable or unwilling to settle our fees we reserve the right to seek payment from the individual (or parent company) giving us instructions on behalf of the client and you agree that we shall be entitled to enforce any sums due against the Group Company or individual nominated to act for you.

3.8 Our terms relating to payment of amounts invoiced are strictly 14 days net. In the event of fees remaining unpaid, we reserve the right to charge an administration fee for late payment reminders and interest will be charged on all overdue debts at a rate of 4% over the Lloyds Bank base rate.

3.9 Upon termination of our appointment, we have the right to charge a fee for additional fee for any additional time spent in providing information to our successors.

#### 4. Retention of Records

4.1 During the course of our work we may collect information from you and others relevant to your affairs. We will return any relevant documents to you if requested. Documents and records relevant to your affairs are required by law to be retained as follows:

Individuals, trustees and partnerships

- with trading or rental income: 5 years and 10 months after the end of the tax year;
- otherwise: 22 months after the end of the tax year;

Companies

- 6 years from the end of the accounting period;

4.2 Where we have provided you with documents, forming your file, it will be your responsibility to maintain these for the required time period. If you require retention of any document by us on your behalf you must notify that fact in writing.

4.3 If you cease to be a client, it will be your responsibility to arrange to collect your files and documents. If such files and documents are not collected we will, under the terms of our engagement, be at liberty to destroy any such books and papers upon the first anniversary of your ceasing to be a client.

4.4 All files and records which are the property of ourselves will be retained in accordance with our formal file destruction policy which is available for inspection upon request.

4.5 If a request is made by yourself to request the collection of a file at the time the file is closed or prior to the expiration of the file's designated retention period, it will be your responsibility to retain the files until its designated date of destruction.

4.6 The cost of copying a file is a disbursement chargeable to you. If a cost is payable to a storage firm to retrieve a file, this will be chargeable to you.

4.7 Where possible your files will be stored electronically. By signing this document you authorize us to destroy any original documents at our discretion.

#### 5. Disclosure of information

5.1 We reserve the right to disclose our files to regulatory bodies in the exercise of their powers.

## 6. Internal Disputes

6.1 In the event that there is an internal dispute between parties whom may own or are involved in the management of the business, it should be noted that our client is the business. Hence we would not engage in providing information or our services to a individual party without the express knowledge and permission of all parties. We will continue to supply information to the registered place of business for the attention of the directors.

## 7. Notice

7.1 We shall not be treated as having notice, for the purposes of our tax responsibilities, of information provided to members of our firm other than those engaged on the specific assignment (for example, information provided in connection with accounting, taxation and other services).

## 8. Timings

8.1 The timing of our work will be dependant on the prompt supply of all information and documentation as and when required by us.

## 9. Third Parties

9.1 Any advice we give you will be supplied on the basis that it is for your benefit only. It should not be disclosed to any third party. It may not be used or relied upon for any other purpose or by any person other than yourself without our prior written consent. If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them.

9.2 If you propose to use any documents with reference to our name, please consult with us first prior to issuing.

## 10. Confidentiality

10.1 We can confirm that where you give us confidential information, we shall use keep is as such, except as required by law to make disclosures as provided for in regulatory or ethical announcements applicable to our engagement.

## 11. Service Quality

11.1 We aim to provide a good quality of service at all times. If you would like to discuss how our service can be improved or if you are dissatisfied with the service that you are receiving please let us know.

## 12. Communications

12.1 Internet communications are subject to data corruption, we do not accept any responsibility for changes made to such communications after their dispatch. For these reasons it may be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. All risks associated with sending commercially sensitive information relating to your business are borne by you and are not our responsibility. If you do not accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.

12.2 Email may be used to communicate with you. It also carries the risk of misdirection or non delivery. It is the responsibility of the recipient to carry out a virus check on any attachments received.

### 13. Applicable Law

13.1 Our engagement letters and our standard terms and conditions of business are governed by, and should be construed in accordance with English Law. Each party agrees that the courts of England & Wales will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it.

13.2 All work performed is conducted using the current legislation according to the accounting period. We cannot be held responsible for any future developments and changes in the legislation.

13.3 We will not advise on the implications of retrospective legislation.

### 14. Contracts (Rights of Third Party) Act 1999

14.1 Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Party) Act 1999 to enforce any terms of this agreement.

14.2 The work that is undertaken is designed for the use of the company and its members, the accounts and report should not be distributed by you to any other party without our prior consent.

### 15. Data Protection 1998

15.1 To enable us to provide the services agreed under this engagement, and for other related purposes including updating client records, analysis for management purposes and statutory returns, crime prevention and regulatory compliance, we may obtain, use, process and disclose personal data about you. You have a right of access, under data protection legislation, to the personal data that we hold about you.

### 16. Money Laundering Act 2007

16.1 In accordance with the Proceeds of Crime Act 2002 and Money Laundering Regulations 2007 you agree to waive your right to confidentiality to the extent of any report made, document provided or information disclosed to the Serious Organised Crime Agency (SOCA).

16.2 You also acknowledge that we are required to report directly to SOCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

16.3 As a specific requirement of the Money Laundering Regulations we may require you to produce evidence of identity of the company and its owners and managers. This will include for the business proof of registration and address and for the individuals proof of identity and address. Copies of such records will be maintained by us for a period of at least one year after we cease to act for the business.

16.4 As with other professional services firms, we are required to identify our clients for the purposes of the UK anti-money laundering legislation. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases.

## 17. Lien

17.1 In so far as permitted to do so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

## 18. Limitation of liability

18.1 We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or willful default.

18.2 Exclusion of liability of loss caused by others. We will not be liable if losses, penalties, surcharges, interest or additional tax liabilities are due to the acts or omissions of any other person or due to the provision to us of incomplete, misleading or false information or if they are due to a failure to act on our advice or a failure to provide us with relevant information.

18.3 Exclusion of liability in relation to circumstances beyond our control. We will not will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

18.4 Exclusion of liability in relating to the discovery of fraud. We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or wrongly misrepresented to us or from fraudulent acts, misrepresentation or willful default on the part of any party to the transaction and their directors, officers, employees, agents or advisers. This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures which we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry.

18.5 Indemnity for unauthorised disclosure. You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the costs of defending any such claim including payment at our usual rates for the time that we spend in defending it.

## 19. Reliance upon Advice

19.1 We will endeavor to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for example during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing.

20. Conflicts of Interest

20.1 We will inform you if we become aware of any conflict of interest in our relationship with you or in our relationship with you and another client. Where conflicts are identified which cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services.

20.2 If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests then we will adopt those safeguards. Where possible this will be done on the basis of your informed consent. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours subject of course to the obligations of confidentiality referred to above.

21. Engagement and Termination

21.1 Unless otherwise agreed in the engagement covering letter our work will begin when we receive your implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for period before that date.

21.2 Each of us may terminate this agreement by giving not less than 21 days notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, in which case we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

21.3 In the event of termination of this contract, we will endeavor to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately, in that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

22. Agreement of Terms

22.1 I confirm that I have read and understood the contents of this letter and related terms and conditions and agree that it accurately reflects my fair understanding of the services that I require you to undertake.

For and on behalf of  
 [Name: \_\_\_\_\_ ]

Signed .....

Name:.....

Position.....

Date:...../...../.....