



Standard Terms of Business

(Last Revised 1 April 2021)

All engagements that we accept are subject to the following standard terms of business unless changes are expressly agreed in writing.

1 Professional obligations

- 1.1 We are a member of the Institute of Chartered Accountants in England and Wales and in our conduct are subject to its Code of Ethics which can be found at www.icaew.com/regulations.
- 1.2 Where we become aware of errors made by HM Revenue & Customs you give us authority to correct them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.
- 1.3 Details of the firm's professional registration can be found on the register at <http://find.icaew.com/> using our firm name and location.

Professional indemnity insurance

- 1.4 In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is Royal & Sun Alliance Insurance plc, of 9th Floor, One Plantation Place, 30 Fenchurch Street, London EC3M 3BD. The territorial coverage is worldwide excluding professional business carried out from an office in the United States of America or Canada and excludes any action for a claim brought in any court in the United States of America or Canada.
- 1.5 If for any reason circumstances arise that may result in a claim to our professional indemnity insurers, you give us your permission to notify them.

2 Fees

- 2.1 Our fees are calculated on the basis of time spent on your affairs, the levels of skill and responsibility involved, the importance and value of the advice provided to you, and the level of risk. Alternatively, they may be calculated as fixed fee for providing you with a specific range of services, usually over a 12-month period. In addition, we may charge disbursements of travel, accommodation and other expenses (including the cost of subscribing to computer software for you) incurred in dealing with your affairs.
- 2.2 If it is necessary for us to carry out work that is outside the scope of the Letter of Engagement, we will advise you of this. Any additional work will result in additional fees being charged. These will be agreed with you before we undertake the work. We would therefore like to point out that it is in your interests to ensure that the information you provide us with is completed to the agreed stage.
- 2.3 If we give you an estimate of our fees for carrying out any specific work, then that estimate will not be contractually binding unless we have explicitly stated that will be the case.

- 2.4 Where we have agreed that you will pay on a fee note rendered basis, fee notes are payable in full (including disbursements) in accordance with the terms set out on the fee note. Any queries you have on our fee notes must be notified to us within 7 days of receipt or we shall deem you to have accepted that payment is payable in full on the due date set out on the fee note.
- 2.5 Where we have agreed that you will pay us on a direct debit basis, we will discuss with you separately the amount and frequency of payments. These direct debits will be applied to fees arising from work agreed in the Letter of Engagement for the current and ensuing years. Any work carried out in respect of prior years will be on a fee-note rendered basis. Where a scheduled monthly payment is not made any fees invoiced to you that are outstanding at that time will immediately become due for payment in their entirety.
- 2.7 You may have an insurance policy or membership of a trade or professional body that entitles you to assistance with payment of our fees in some situations. A particular example would be assistance with an investigation by HM Revenue & Customs. Unless you arranged the insurance through us then you will need to advise us of any such cover you have. Please note that you remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.
- 2.8 We reserve the right to charge interest on overdue accounts at the current rate and reasonable debt recovery costs under the Late Payment of Commercial Debts (Interest) Act 1998 and the Late Payment of Commercial Debts Regulations 2002. Payment is classed as overdue 14 days after the invoice has been issued. We are entitled to manage our cash-flow in the most advantageous way for the practice and we will not hesitate to take court action to recover overdue accounts. We also reserve the right to terminate our engagement and cease acting if payment of any fees billed is unduly delayed.
- 2.9 In the event that we cease to act for you then you agree to meet all reasonable costs of providing information to your new advisers.

3 Help us to give you the right service

- 3.1 If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know by contacting Patrick Cracroft-Brennan.
- 3.2 We undertake to look into any complaint carefully and promptly and do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may of course take up the matter with the Institute of Chartered Accountants in England and Wales.

4 Commissions or other benefits

- 4.1 In some circumstances, commissions or other benefits may become payable to us or one of our associates in respect of transactions we or such associates arrange for you. If this happens we will notify you in writing of the amount and terms of payment. The fees that would be otherwise payable by you will not be abated by such amounts. You consent to such commission or other benefits being retained by us or, as the case may be, by our associates, without our, or their, being liable to account to you for any such amounts.

5 Client monies

- 5.1 We may at times hold money on your behalf. Any such money will be held on trust in a client bank account, which is held separately to funds that belong to us. The account will be operated, and all funds dealt with, in accordance with the Clients' Money Regulations of the Institute of Chartered Accountants in England and Wales.
- 5.2 To avoid excessive amounts of administration, interest will only be paid to you if the amount of interest that would be earned on the balances held on your behalf in any calendar year exceeds £25. Any such interest would be calculated using the prevailing rate applied by our bankers for small deposits subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.

- 5.3 If the total sum of money held on your behalf is enough to give rise to a significant amount of interest or is likely to do so, then the money will be placed in a separate interest-bearing client bank account designated to you. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.
- 5.4 If in the course of carrying out probate work we hold money on behalf of the estate, this will always be placed in a separate interest-bearing designated client account irrespective of the amount of money we are holding.
- 5.5 In the unlikely event of us holding any unclaimed monies we reserve the right to pay such monies to a registered charity in line with the guidelines set out in the Clients' Money Regulations referred to above. We will not do this unless we have been unable to contact you for at least 5 years and we have taken reasonable steps to trace you and return the monies.
- 5.6 We are required under the client money regulations to appoint an alternate to administer the client bank account in the event of the death or incapacity of the principal. The alternate appointed by this firm is Mr Richard Lee-Heung of 7 Cemetery Road, Bicester, Oxfordshire OX26 6BB.

6 Retention of and access to records

- 6.1 During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following the preparation of your accounts and returns. You have a legal responsibility to retain these records. The law requires individuals, trustees and partnerships to keep records in relation to trading or rental income 6 years from the 31 January following the end of the tax year to which they relate. Other records should be kept for 22 months after the end of the tax year they relate to. Companies, Limited Liability Partnerships and other corporate entities are required to keep records for 6 years from the end of the accounting period.
- 6.2 While certain documents may legally belong to you, unless you tell us not to, we intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we consider to be of continuing significance. If you require retention of any documents you must notify us of that fact in writing.

7 Conflicts of interest and independence

- 7.1 We reserve the right during our engagement with you to deliver services to other clients whose interests might compete with yours or are or may be adverse to yours. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting you.
- 7.2 If a conflict of interest should arise, either between two or more of our clients, or in the provision of multiple services to a single client, we will take such steps as are necessary to deal with the conflict. In resolving the conflict, we would be guided by the Code of Ethics of the Institute of Chartered Accountants in England and Wales which can be viewed at www.icaew.com/regulations.

8 Confidentiality

- 8.1 Communication between us is confidential and we shall take all reasonable steps to keep your information confidential except where we are required to disclose it by law, by regulatory bodies, by our insurers or as part of an external peer review. Any subcontractors we use will be bound by the same confidentiality requirements.

9 Quality control

- 9.1 As part of our ongoing commitment to providing a quality service, our files are periodically subject to an independent regulatory or quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our principals and staff.

10 Applicable law

- 10.1 This engagement letter is governed by, and construed in accordance with, English law. The Courts of England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right it may have to object to any action being brought in those courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.
- 10.2 If any provision in these terms of business or any associated engagement letter, or its application, are found to be invalid, illegal or otherwise unenforceable in any respect, the validity, legality or enforceability of any other provisions shall not in any way be affected or impaired.

11 Internet communication

- 11.1 Unless you tell us otherwise we will at times use email or other electronic means to communicate with you.
- 11.2 Internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. We do not accept responsibility for any errors or problems that may arise through the use of internet communication and all risks connected with sending commercially sensitive information relating to your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.
- 11.3 It is the responsibility of the recipient to carry out a virus check on any attachments received.

12 Data Protection Act 1998

- 13.1 To enable us to discharge the services agreed under our engagement, and for other related purposes including updating and enhancing client records, analysis for management purposes and statutory returns, crime prevention and legal and regulatory compliance, we may obtain, use, process and disclose personal data about you, your business and any employees.
- 12.2 Sections 11 and 12 of the Data Protection Act 1998 place express obligations on you as a data controller where we as a data processor undertake the processing of personal data on your behalf. An example would be where we operate a payroll service for you. We therefore confirm that we will at all times comply with the requirements of the Data Protection Act 1998 when processing data on your behalf. In particular we confirm that we have adequate security measures in place and that we will comply with any obligations equivalent to those placed on you as a data controller.

13 Contracts (Rights of Third Parties) Act 1999

- 14.1 Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 13.2 The advice we give you is for your sole use and is confidential to you and will not constitute advice for any third party to whom you may communicate it. We will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

14 The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007

- 14.1 In common with all accountancy and legal practices, the firm is required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 to:
- Maintain identification procedures for clients and beneficial owners of clients;
 - Maintain records of identification evidence and the work undertaken for the client; and
 - Report, in accordance with the relevant legislation and regulations.

- 14.2 We have a duty under section 330 of the Proceeds of Crime Act 2002 to report to the National Crime Agency (NCA) if we know, or have reasonable cause to suspect, that another person is involved in money laundering. Failure on our part to make a report where we have knowledge or reasonable grounds for suspicion would itself constitute a criminal offence by us.
- 14.3 The offence of money laundering is defined by section 340(11) of the Proceeds of Crime Act and includes concealing, converting, using or possessing the benefits of any activity that constitutes a criminal offence in the UK. It also includes involvement in any arrangement that facilitates the acquisition, retention, use or control of such a benefit.
- 14.4 This definition is very wide and would include such crimes as deliberate tax evasion, deliberate failure to inform the tax authorities of known underpayments or excessive repayments, fraudulent claiming of benefits or grants, or obtaining a contract through bribery. Clearly these examples are by no means exhaustive. However, clients must be aware that there is no threshold of materiality which applies either to the nature of the criminal activity which has been undertaken or to the amount of proceeds or benefit which has derived from that activity. A court case in 2003 decided that an illegally obtained sum of £10 is as much “criminal property” as an illegally obtained sum of £1 million.
- 14.5 We are obliged by law to report any instances of money laundering to NCA without your knowledge or consent. In consequence, under the “tipping off” rules neither the firms' principals nor staff may either pre-warn you of any such report or enter into any correspondence or discussions with you regarding such matters.
- 14.6 We are not required to undertake work for the sole purpose of identifying suspicions of money laundering. We shall fulfil our obligations under the Proceeds of Crime Act 2002 in accordance with the guidance published by the Consultative Committee of Accountancy Bodies.
- 14.7 When taking on a new client we will always use electronic checks as part of our identification procedures. We confirm that these electronic checks are not credit checks.

15 General limitation of liability

- 15.1 We will provide services as outlined in this letter with reasonable care and skill. However, to the fullest extent permitted by law, we will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities where you or others supply incorrect or incomplete information, or fail to supply any appropriate information or where you fail to act on our advice or respond promptly to communications from us or the tax authorities.
- 15.2 You will not hold us, the owners of this firm and any staff employed by the firm, responsible, to the fullest extent permitted by law, for any loss suffered by you arising from any misrepresentation (intentional or unintentional) supplied to us orally or in writing in connection with this agreement. You have agreed that you will not bring any claim in connection with services we provide to you against any of the principals or employees personally.
- 15.3 Our work is not, unless there is a legal or regulatory requirement, to be made available to third parties without our written permission and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

16 Use of our name in statements or documents issued by you

- 16.1 You are not permitted to use our name in any statement or document that you may issue unless our prior written consent has been obtained. The only exception to this restriction would be a statement or document that in accordance with applicable law is to be made public.

17 Draft/interim work

- 17.1 In the course of our providing services to you we may provide advice or reports or other work products in draft or interim form. However final written work products will always prevail over any draft or interim statements.

18 Advice

18.1 Advice we give you orally should not be relied upon unless we confirm it in writing. We endeavour to record all advice on important matters in writing. However, if you particularly wish to rely upon oral advice we give you during a telephone conversation or a meeting, you must ask for the advice to be confirmed in writing.

18.2 Unless specifically instructed and agreed in advance we will not assist with the implementation of our advice.

19 Intellectual property rights

19.1 The copyright in any document prepared by us belongs to us in entirety unless the law specifically provides otherwise.

20 Interpretation

20.1 If there is a conflict between the engagement letter and these standard terms of business then the engagement letter takes precedence.

20.2 If any provision of this engagement letter or standard terms of business or its application is held to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of any other provision and its application shall not in any way be affected or impaired.

21 Investment services (including pension schemes and life insurance)

21.1 We are not authorised by the Financial Conduct Authority to conduct Investment Business. If you require investment business services we will refer you to a firm authorised by the Financial Conduct Authority.

21.2 Such a referral is not intended in any way to endorse the quality of the work carried out by that firm. You agree not to hold us responsible should you follow advice given to you by that firm and as a consequence suffer financial loss of any nature.

21.3 The decision to choose and use an independent financial adviser rests solely with the client and should only be made after careful consideration.

22 Telephone and email support

22.1 We are pleased to offer extended telephone and email support service to our clients. This means that you can telephone our land line or email us a reasonable number of times during the period covered by the Letter of Engagement. Unless the number of telephone calls or emails proves to be excessive and out of proportion to the number we would normally expect given the work we are doing for you, the cost of any such telephone or email discussions with you are covered by the fee agreed with you and are not subject to any additional charge.

22.2 We would ask that as far as possible telephone calls are confined to normal office hours (Monday to Thursday 09:00 to 17:00, and Saturday 09:00 to 13:00). Emails can be sent at any time, seven days a week, but there may be a delay in replying to emails received outside normal office hours or during periods when the office is closed due to annual leave. Inevitably, there will be some Saturday mornings when the office is not manned. Should the call drop into voice mail, then you might be better emailing us.

22.3 It should be noted that any extra work that arises from a telephone or email discussion that is not covered by the matters listed in the Letter of Engagement may need to be the subject of an extra work order.

23 Additional fees

23.1 Please note the following specific areas where we reserve the right to make an extra work order or charge additional fees in respect of the work covered by the Letter of Engagement:

23.2 If you provide us with a standard of records that is lower than that set out or anticipated in the Letter of Engagement and any other discussions we have had with you, then we reserve the right to charge additional fees for any additional work this creates for us;

23.3 If you do not provide us with the information we need to carry out the work by either the deadlines set out in the Letter of Engagement or in good time to meet the statutory deadlines for filing with HMRC and Companies House, then we reserve the right to charge additional fees where the delay escalates the priority of your work in such a way that work we have planned to do for other clients has to be delayed; and

23.4 Where the work increases in complexity or scope from that set out or anticipated in the Letter of Engagement and any other discussions we have had with you, then we reserve the right to charge additional fees for any additional work this creates for us.

24 Terminating the Letter of Engagement

24.1 Either of us is free to terminate the Letter of Engagement at any time and for any reason by providing ten days' written notice.

24.2 Should this happen we will provide you with a Letter of Disengagement setting out the position at the date of termination and any consequences arising from the termination. A copy of this Letter of Disengagement will also be passed to your new accountants as part of the process of responding to their professional clearance letter.

24.3 Accountancy and taxation services are now all-year-around processes and it is unusual for a month to go by without the need for us to carry out work on your affairs. Consequently, both of us agree that any payments made by you under the Letter of Engagement are non-refundable.

24.4 Where we have carried out work under the Letter of Engagement and incurred time costs that have not been covered by the monthly direct debits, we reserve the right to send you a fee note for those time costs and this will be payable by you in accordance with the payment terms set out in the fee note.

24.5 In the event of termination any outstanding fee notes will be immediately payable in accordance with the payment terms set out in those fee notes.

24.6 You acknowledge our right not to pass over information to your new accountant (or to return any books and records we hold to you) until all outstanding fee notes have been paid.

25 Cancelling the Authorisation to GoCardless

25.1 If there is a Fixed Fee Agreement in place with fees paid monthly through GoCardless, then the Fixed Fee Agreement will remain in force until such time as you cancel the authorisation you have given to GoCardless. We cannot do this for you. The responsibility to ensure that the authorisation you have given GoCardless is cancelled should the Letter of Engagement be terminated lies solely with yourself and not with ourselves.