

Standard Terms and Conditions

1 Introduction

- 1.1 These terms and conditions set out the general terms under which we undertake our business.

2 Ethical guidelines

- 2.1 We are bound by the ethical guidelines of the Association of Chartered Certified Accountants, and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines. A copy of these guidelines can be viewed at our offices on request or can be seen at www.accaglobal.com.

3 Fees

- 3.1 Our fees are computed on the basis of time spent on your affairs by the principal 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 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.
- 3.3 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 by the fee arbitration service provided by ACCA for members. The fee arbitrator will be appointed by the ACCA president; the fee will be as negotiated with the ACCA arbitrator.
- 3.4 All invoices will be charged including VAT.
- 3.5 Invoices will usually be issued when accounts are presented for approval. However, we reserve the right to issue interim fees from time to time as appropriate.
- 3.6 All invoices will include details of any disbursements which have been recharged in accordance with our agreement.
- 3.7 Our terms relating to payment of amounts invoiced are strictly 14 days net.
- 3.8 As a concession our fees are payable by monthly standing order. If our engagement ceases then all outstanding fees will become due immediately. If there are any overpayments these will be refunded immediately.
- 3.9 No accounts or tax returns will be filed with the Inland Revenue, or accounts filed at Companies House until payment has been received.
- 3.10 If any fees remain outstanding for more than 60 days, the signatory on the Letter of Engagement agrees to take full personal liability for the debt and upon application will make payment with 14 days together with any interest accrued from the original date of the debt at bank rate plus 2%.
- 3.11 If the client is a Limited Company the directors will have a personal liability to any outstanding fees.

4 Client monies

- 4.1 We will not hold any monies on your account except the payment of monthly fees in advance.

5 Quality control and disclosure of information

- 5.1 As part of our ongoing commitment to providing a quality service, some of our files may be subject to an independent review. Our reviewers are highly experienced and professional people and, of course, are bound by the same requirements for confidentiality as our partners and staff.
- 5.2 We also reserve the right to disclose our files to regulatory bodies in the exercise of their powers.

6 Internal disputes

- 6.1 In the event of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business and we would not provide information or services to one party without the express knowledge and permission of all parties. We will continue to supply information to normal place of business for the attention of the officers.

7 Investment services

- 7.1 We are not authorised by the Financial Services Authority. However, we are included on the Register maintained by the Financial Services Authority so that we can carry on insurance mediation activity, which is broadly the advising on, selling, and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by the Association of Chartered Certified Accountants. The register can be accessed via the Financial Services Authority website at www.fsa.gov.uk/register.erral to a Permitted Third Party (PTP)

8 Commissions or other benefits

- 8.1 In some circumstances, commissions or other benefits may become payable to us in respect of transactions which we or such associates arrange for you, in which case you will be notified in writing of the amount and terms of payment. The fees that would otherwise be payable by you as described will take into account the benefit to us of such amounts. As far as allowed by legislation, you consent to such commission or other benefits being retained by us without being liable to account to you for any such amounts.

9 Retention of records

- 9.1 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 preparation of your accounts. You should retain them for 6 years from the Accounting date.
- 9.2 Ownership of records is determined by case law. We have summarised below instances where documents, although retained by ourselves, will belong to yourself:
- 9.2.1 Where work is of a tax compliance nature, the entire tax file will be deemed to belong to yourself unless we have provided copies of all tax matters to you, e.g., the preparation and submission of accounts, returns, computations and VAT returns to HM Revenue and Customs, agreement of clients' tax liabilities, including those following "in depth" investigations.

- 9.2.2 Where a report is made on your behalf, to the authorities, for submission to the authorities, in connection with an accounts' investigation where we will be acting as principals. The report and supporting schedules will belong to yourself.
- 9.2.3 Where work is of a tax advisory nature, letters, reports or documents giving the advice belong to yourself.
- 9.3 Tax files and other papers that are legally the property of yourself will be retained for 7 years or until your specific authority is obtained for their destruction.
- 9.4 If you cease to be a client and if we still hold any books and papers that are your property, then at the expiry of seven years from your ceasing to be a client, we will write to your last known address inviting you to collect such books and records. If such books and records are not collected we will, under the terms of this letter of engagement, be at liberty to destroy any such books and papers upon the seventh anniversary of your ceasing to be a client.
- 9.5 If at any time while you remain a client, we still hold any books and papers that are your property where the last entry therein was made no later than seven years earlier, then we will write to your last known address inviting you to collect such books and records. If such books and records are not collected we will, under the terms of this letter of engagement, be at liberty to destroy any such books and papers upon the seventh anniversary of the last entry therein.
- 9.6 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.
- 9.7 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, we will copy the file and retain the copy until the file's designated date of destruction.
- 9.8 The cost of copying the file is the responsibility of the firm. If a cost is payable to a storage house to retrieve the file, this is a disbursement chargeable to yourself.
- 9.9 The above relates to paper as well as electronic records.

10 Notification

- 10.1 We shall not be treated as having notice, for the purposes of our /accounts 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).

11 Timetable

- 11.1 The services we undertake to perform for you will be carried out on a timescale to be determined between us on an ongoing basis.
- 11.2 The timing of our work will in any event be dependant on the prompt supply of all information and documentation as and when required by us.

12 Third parties

- 12.1 Any advice we give you will be supplied on the basis that it is for your benefit only and shall not be disclosed to any third party in whole or part without our prior written consent. It may not be used or relied upon for any other purpose or by any other person other than you 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, should they rely on the advice.

- 12.2 If it is proposed that any documents or statement which refer to our name, are to be circulated to third parties, please consult us before they are issued.

13 Confidentiality

13.1 As specified in these terms and conditions, we confirm that where you give us confidential information we shall at all times keep it confidential, except as required by law to make disclosures as provided for in regulatory, ethical or other professional pronouncements applicable to our engagement.

13.2 You agree that it will be sufficient compliance with our duty of confidence for us to take such steps as we in good faith think fit to preserve confidential information both during and after termination of this engagement.

14 Quality of service

14.1 We aim to provide a high quality of service at all times. If you would like to discuss with us how our service could be improved or if you are dissatisfied with the service that you are receiving please let us know by contacting Peter Finnigan.

14.2 We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may take up the matter with the Association of Chartered Certified Accountants.

15 Communication

15.1 As Internet communications are capable of data corruption we do not accept any responsibility for changes made to such communications after their dispatch. For this reason it may be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. All risks connected 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.

15.2 E-mail may be used to enable us to communicate with you. As with any other means of delivery this carries with it the risk of inadvertent misdirection or non delivery. It is the responsibility of the recipient to carry out a virus check on any attachments received.

15.3 Advice issued by staff should not be relied upon unless it has been confirmed in writing.

16 Applicable law

16.1 This engagement letter is governed by, and construed in accordance with, British 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.

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

- 16.3 Legislation which is retrospective in its application could impact on advice given to you by us prior to its introduction. We will not advise on the implications of such retrospective legislation unless you specifically ask us to do so.

17 Contracts (Rights of Third Parties) Act 1999

- 17.1 Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this agreement. This clause does not effect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 17.2 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.

18 Data Protection Act 1998

- 18.1 To enable us to discharge the services agreed under this 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. You have a right of access, under data protection legislation, to the personal data that we hold about you. For the purposes of the Data Protection Act 1998, the Data Controller in relation to personal data supplied about you is Peter Finnigan.

19 Money Laundering Regulations 2003

- 19.1 In accordance with the Proceeds of Crime Act and Money Laundering Regulations 2003 you agree to waive your right to confidentiality to the extent of any report made, document provided or information disclosed to the National Criminal Intelligence Service (NCIS).
- 19.2 You also acknowledge that we are required to report directly to NCIS 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.
- 19.3 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 five years after we cease to act for the business.

20 Disengagement

- 20.1 Should we resign or be requested to resign a disengagement letter will be issued to ensure that our respective responsibilities are clear.
- 20.2 Should we have no contact with you for a period of 2 years or more we may issue a disengagement letter and hence cease to act.