



MOORE

Chartered Accountants

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26th March 2021

Dear Sirs

Thank you for engaging us as your advisors. This letter and the attached schedules of service together with our terms of business set out the basis on which we are to provide our services and your and our respective responsibilities.

We are bound by ICAEW's Code of Ethics, and Professional Conduct in Relation to Taxation and accept instructions to act for you on the basis that we will act in accordance with these ethical guidelines.

1. SCOPE OF SERVICES

- 1.1. We have listed below the work which you have instructed us to carry out, the detail of which is contained in the attached schedules. These state your and our responsibilities in relation to the work to be carried out. If we agree to carry out additional services for you we will provide you with a new or amended engagement letter and schedules. Only the services which are listed in the attached schedules are included within the scope of our instructions. If there are other services that you wish us to carry out which are not listed in the schedule, please let us know and we will discuss with you whether they can be included in the scope of our work.
- 1.2. The following schedules of services and our terms of business are attached to this engagement letter and should be read in conjunction with it.

Bookkeeping services
Payroll services
Annual Return preparation

2. AGREEMENT OF TERMS

2.1. Confirmation of your agreement

- 2.1.1. Please confirm your agreement to the terms of this letter including paragraph 16.3 concerning investment business in the attached terms of business by **signing and returning the enclosed copy.**
- 2.1.2. If this letter and the attached terms of business are not in accordance with your understanding of our terms of appointment, please let us know.
- 2.1.3. If we do not receive a signed copy of this document back from you then, unless you inform us otherwise in writing, we will assume that you are in agreement with the above. This letter will remain effective until it is replaced.

Yours faithfully

Chartered Accountants

I acknowledge receipt of this letter and I agree to this letter and the attached schedule of services which together with the terms of business fully records the agreement between us concerning your appointment to carry out the work described in the schedule.

Name Signed Date

On behalf of Kirkbymoorside Town Council

Further assistance we can provide:

There are many other areas in which we can be of assistance, and we will be pleased to discuss any matters with you. These other services include:

- reports in support of returns or claims, eg, insurance company certificates, government grants, etc;
- advice on financial matters;
- management accounting, including such matters as cash flow statements, costing systems, etc, and advice on management;
- advice on the selection and implementation of computer systems;
- investigations for special purposes, e.g. acquisitions of other businesses or examination of specific aspects of your business;
- advice on the selection and recruitment of staff.

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the standard terms and conditions.

1.1 Tax advisory services in relation to inheritance tax planning.

- 1.1.1 Our services may include telephone conversations, attendance at meetings and written advice as and when requested by you.
- 1.1.2 We will not be responsible for the provision of any tax compliance services, unless covered by a separate engagement letter or another schedule to this letter.
- 1.1.3 If additional or specialist expertise is required we may need to seek this from or refer you to another specialist.

1.2 Changes in the law, in practice or in public policy

- 1.2.2 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law, practice, public policy or in your circumstances.
- 1.2.3 We will accept no liability for losses arising from changes in the law (or the interpretation thereof), practice or public policy that are first published after the date on which the advice is given.

1.3 Your responsibilities

- 1.3.2 You agree to provide full information necessary for us to advise in relation to your affairs. We will rely on the information and documents being true, correct and complete and will not audit the information or those documents.
- 1.3.3 If you require tax advice in relation to a proposed transaction we recommend that you instruct us sufficiently in advance so that we have time to give properly considered advice prior to the transaction taking place.
- 1.3.4 You agree to authorise us to approach such third parties as may be appropriate for information that we consider necessary to provide the advice.
- 1.3.5 You will keep us informed of material changes in your circumstances that could affect your tax liability. If you are unsure whether the change is material or not please let us know so that we can assess its significance.
- 1.3.6 Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 19 of our standard Terms and Conditions. Paragraph 19 of our standard Terms and Conditions is amended so that our maximum monetary liability to you is limited to the amount of our fee for this engagement. These are important provisions which you should read and consider carefully.

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the terms of business.

1. RESPONSIBILITIES AND SCOPE FOR BOOKKEEPING SERVICES

1.1. Your responsibility for the provision of information

- 1.1.1. You have undertaken to make available to us, as and when required, all the accounting records and related financial information, including minutes of management meetings, which we need to do our work. You will provide us with all information and explanations relevant to the purpose, preparation and maintenance of the accounting records, and you will disclose to us all relevant information in full.
- 1.1.2. You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the accounting records, is accurate and complete. You are also responsible for ensuring that the activities of the business are conducted honestly, and for safeguarding the assets of the business and for taking reasonable steps to prevent and detect fraud and other irregularities.
- 1.1.3. You are responsible for ensuring that the business complies with the laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.

1.2. Preparation and maintenance of accounting records

Our responsibilities

- 1.2.1. We have agreed to carry out the following accounting and other services on your behalf:
 - a) write up the accounting records of the business on scribe software provided by yourselves; and
 - b) complete the postings to the nominal ledger.

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the terms of business.

RESPONSIBILITIES AND SCOPE FOR PAYROLL SERVICES

1.1. Recurring compliance work

1.1.1. We will prepare your UK payroll for each payroll period to meet UK employment tax requirements, specifically:

- a) calculating the pay as you earn (PAYE) income tax deductions, including at the Scottish rate of income tax, if applicable;
- b) calculating the employee's national insurance contributions (NIC) deductions;
- c) calculating the employer's NIC liabilities;
- d) calculating statutory payments, for example, statutory sick pay and or/statutory maternity pay;
- e) calculating employee and employer pension contributions for employees who are members of workplace pension schemes on the basis of the information that you provide to us;
- f) calculating other statutory and non-statutory deductions (including apprentice levy); and
- g) submitting information online to HMRC under Real Time Information (RTI) for PAYE.

1.1.2. Before the time of payment through the payroll or due date, we will prepare and send to you the following documents for delivering information to HMRC:

- a) payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
- b) Full Payment Submission (FPS) for taxable pay for each employee;
- c) a payslip for each employee;
- d) a form P45 for each leaver;
- e) a report showing your PAYE and NIC liability, student loan repayments and due date for payment; and
- f) a report showing employee and employer pension contributions payable in respect of each employee to the respective workplace pension scheme(s) of which they are members and the due date(s) for payment.

1.1.3. We will submit FPS online to HMRC on the basis of the data provided by you. (FPS must normally reach HMRC on or before the contractual payday, i.e. the date that employees are entitled to be paid). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below.

1.1.4. For each tax month we will prepare, if appropriate, an Employer Payment Summary (EPS) from the information and explanations that you provide to us. (Examples of EPS data include statutory payments, employment allowance, construction industry scheme deductions and confirmation that no payments were, or will be, made to employees).

1.1.5. We will submit EPS online to HMRC by you. (EPS must reach HMRC by the 19th of the month following the tax month to which they relate). You must ensure that the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below.

1.1.6. At the end of the tax year we will:

- a) prepare the final FPS (or EPS) and submit this to HMRC by you; (the due date for submitting final FPS is on or before the last contractual payday of the tax year, failing which, the final EPS for the year must reach HMRC by 19 April following the end of the tax year); you must ensure that the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below;
- b) prepare and send to you Form P60 for each employee on the payroll at the year-end so you can give them to employees by the statutory due date of 31 May following the end of the tax year.

Additionally we will, where relevant:

- c) prepare and send to you a statement for every employee for whom benefits-in-kind have been payrolled identifying every benefit provided to each employee during the tax year and the cash equivalent of each benefit treated as PAYE income so you can give them to employees by the statutory due date of 31 May following the end of the tax year;
- d) give you details of the Class 1A NIC on payrolled benefits-in-kind which will need to be accounted for on form P11D(b) and the due date for payment;
- e) give you details of the Class 1A NIC on expenses accounted for in the payroll which will need to be accounted for on form P11D(b) and the due date for payment;
- f) give you the figures that need to be included on forms P11D to account for income tax in respect of expenses for which Class 1 NIC has been accounted for in the payroll.

1.1.7. We will deal with any online secure messages sent to us by HMRC in respect of your payroll, for example, code number notifications, student loan repayment notices, and generic notification notices.

1.1.8. We will submit national insurance number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

1.2. Excluded, ad hoc and advisory work

1.2.1. If you instruct us to do so, we will provide such other taxation, ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate, we will agree with you a separate fee for any such work you instruct us to undertake. Examples of such work that you may wish to instruct us to undertake include:

- a) work in connection with workplace pension schemes other than that detailed above;
- b) agreeing with you which employer-provided benefits-in-kind will be processed through the payroll and for which employees, processing through the payroll cash equivalent notional amounts on employee benefits-in-kind, notifying HMRC of in-year changes, advising you on the payment of associated Class 1A NIC, preparing and submitting return P11D(b) and notifications to employees;
- c) preparing and submitting returns P11D and P11D(b) for employee benefits-in-kind and expenses and advising on the payment of associated Class 1A NIC (such work, if undertaken, is covered in a separate schedule of services);

- d) dealing with any compliance check or enquiry by HMRC into the payroll data submitted;
- e) preparing and submitting any amended returns or data for previous tax years; and
- f) assisting you in the operation of the Construction Industry Scheme (CIS) for subcontractors.

1.2.2. If specialist advice is required, we may need to seek this from, or refer you to, appropriate specialists.

1.3. Changes in the law, in practice or in public policy

1.3.1. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law, practice, public policy or in your circumstances.

1.3.2. We will accept no liability for losses arising from changes in the law (or the interpretation thereof), practice or public policy that are first published after the date on which the advice is given.

1.4. Your responsibilities

1.4.1. Even though you are engaging us to help you meet your payroll obligations, you are legally responsible for:

- a) ensuring that the data in your payroll submissions is correct and complete;
- b) complying with auto-enrolment obligations;
- c) making any submissions by the due date; and
- d) paying tax and NIC on time.

Failure to do any of the above may lead to penalties and/or interest.

1.4.2. Employers cannot delegate these legal responsibilities to others.

1.4.3. You are no less responsible for errors in unapproved returns, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the returns.

1.4.4. To enable us to carry out our work, you agree:

- a) that all information required to be delivered online is submitted on the basis of full disclosure;
- b) to provide full information necessary for dealing with your payroll affairs and workplace pension scheme contributions; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- c) to agree with us the name(s) of the person(s) authorised by you to notify us of changes in employees and in rates of pay and other information relevant to the services provided under this schedule; we will process the changes only if notified by that/those individual(s);
- d) to advise us in writing of changes of payroll pay dates;

- e) to notify us at least 2 working days or such other period as agreed with us before the payroll pay date of all transactions or events which may need to be reflected in the payroll for the period, including details of:
- all new employees (including full names, address, date of birth, gender, national insurance number, their start date and starter form) and details of their remuneration package including benefits-in-kind to be payrolled;
 - for employees whose benefits-in-kind are being payrolled, their names, the identity of the benefits-in-kind, and the cash equivalent amounts to be included in payroll;
 - for employees who are active pension scheme members, name of pension scheme, pensionable pay, employee and employer contribution rates, dates from/to which contributions payable;
 - names and dates of birth of all apprentices aged under 25;
 - names and dates of birth of all employees aged under 21;
 - all changes to remuneration packages including benefits-in-kind to be payrolled;
 - employee expenses which need to be included in payroll to account for either income tax or Class 1 NIC or both;
 - information necessary to enable us to calculate statutory payments, ie, statutory sick pay, statutory maternity pay, statutory adoption pay, statutory paternity pay, statutory shared parental pay;
 - irregular and/or ad hoc payments and the dates to be paid; and
 - all leavers, their leaving date, termination payments, and any payments made after the leaving date.
- f) to register with HMRC in advance of the tax year, to notify which benefits-in-kind are to be payrolled for which employees, and to notify in-year changes to HMRC (as agents, we cannot do this);
- g) to keep us informed of changes in circumstances that could affect the payroll; if you are unsure whether a change is material, please tell us so we can assess its significance;
- h) to authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with your payroll.
- 1.4.5. If the information required to complete the payroll services set out above is received later than the dates specified above or agreed with us, we will still endeavour to process the payroll and returns to meet the filing deadlines; but we will not be liable for any costs or other losses arising if the payroll is late or the returns are filed late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.
- 1.4.6. If you require us to make a correction after the FPS or EPS has been submitted, you will let us know as soon as possible and, ideally, before the next payroll run. This may be subject to a separate fee.
- 1.4.7. HMRC will send you an agent authorisation code which expires within 30 days of issue. Please send this to us as soon as you receive it. This code will enable us to register as your agent with HMRC. This authorises HMRC to communicate with us as your agent, although they consider that you should still take 'reasonable care' over your tax affairs.
- 1.4.8. You will forward to us any communications received from HMRC, in sufficient time to enable us to deal with them as may be necessary within the requisite time limits. Although HMRC

has the authority to communicate with us when form 64-8 has been signed and submitted, it is essential that you let us have copies of any correspondence received, because HMRC are not obliged to send us copies of communications issued to you and, in most cases, will not do so. You should also keep a note of any telephone communication you have with HMRC's tax credits helpline, including the date and time of the call, and the name of the helpline operator(s).

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the terms of business.

RESPONSIBILITIES AND SCOPE FOR ANNUAL RETURN PREPARATION ON A RECEIPTS & PAYMENTS

1.1 Your responsibility for the preparation of Annual Return

- 1.1.1 You have undertaken to make available to us, as and when required, all the accounting records and related financial information, including minutes of management meetings, which we need to do our work. You will provide us with all information and explanations relevant to the purpose and compilation of the financial statements, and you will disclose to us all relevant information in full.
- 1.1.2 You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the Council or for the Annual Return is accurate and complete. You are also responsible for ensuring that the activities of the Council are conducted honestly, and for safeguarding the assets of the business and for taking reasonable steps to prevent and detect fraud and other irregularities.
- 1.1.3 You will approve and sign the Annual Return to acknowledge responsibility for them, including the appropriateness of the accounting basis, and acknowledge responsibility for providing us with all information and explanations necessary for their compilation.
- 1.1.4 You are responsible for ensuring that the Council complies with the laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.

1.2 Our responsibilities as accountants

- 1.2.1 You have asked us to help you prepare the Annual Return which complies with applicable accounting standards to enable surplus to be calculated to meet the requirements of current legislation and to provide sufficient and relevant information to your external Auditor. We will compile the Annual Return for your approval based on the accounting records and the information and explanations you give us.
- 1.2.2 We will plan our work on the basis that no report on the financial statements is required by statute or regulation for the year, unless you inform us in writing to the contrary. We will make enquiries of Councillors and undertake any procedures that we judge appropriate.
- 1.2.3 Our work will not be an audit of the Annual Return in accordance with International Standards on Auditing (UK) so we will not be able to provide any assurance that the accounting records or the financial statements are free from material misstatement, whether caused by fraud, other irregularities or error, or to identify weaknesses in internal controls.
- 1.2.4 Since we will not carry out an audit, or confirm in any way the accuracy or reasonableness of the accounting records, we cannot provide any assurance whether the financial statements we prepare from those records will present a true and fair view.
- 1.2.5 We will advise you whether your records are adequate for preparation of the Annual Return and recommend improvements on anything we come across during the course of our work.

- 1.2.6 We have a professional responsibility not to allow our name to be associated with financial statements which we believe may be misleading. Therefore, although we are not required to search for such matters, if we become aware, for any reason, that the financial statements may be misleading, we will discuss the matter with you with a view to agreeing appropriate adjustments and/or disclosures in the financial statements. If adjustments and/or disclosures that we consider appropriate are not made or if we are not provided with appropriate information and, as a result, we consider that the financial statements are misleading, we will withdraw from the engagement.
- 1.2.8. As part of our normal procedures we may ask you to confirm in writing any information or explanations given to us orally during our work.

TERMS OF BUSINESS

The following terms of business apply to all engagements accepted by Moore Chartered Accountants. All work is carried out under these terms except where changes are expressly agreed in writing.

1.0 APPLICABLE LAW

- 1.1 Our engagement letter, the schedules of services 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 will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it on any basis. Each party irrevocably waives any right 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.
- 1.2 We will not accept responsibility if you act on advice previously given by us without first confirming with us that the advice is still valid in light of any change in the law or in your circumstances. We will accept no liability for losses arising from changes in the law, or the interpretation thereof, which occur after the date on which the advice is given.
- 1.3 Moore Chartered Accountants is an independent member firm of Moore Global Network Limited. The firm is not a partner or agent for any other Moore Chartered Accountants firm and is a separate entity with offices in Scarborough, Pickering and Kirkbymoorside.

2.0 CLIENT IDENTIFICATION

- 2.1 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. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

3.0 CLIENT MONEY

- 3.1 We may, from time to time, hold money on your behalf. The money will be held in trust in a client bank account, which is segregated from the firm's funds. 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.
- 3.2 To avoid excessive administration, interest will only be paid to you where the amount earned on the balances held on your behalf in any calendar year exceeds £25. 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 we will put the money in a designated interest-bearing client bank account and pay the interest to you. Subject to any tax legislation, interest will be paid gross.
- 3.3 We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are unclaimed and the client to which they relate has remained untraced for five years or we as a firm cease to practise then we may pay those monies to a registered charity.

4.0 COMMISSIONS OR OTHER BENEFITS

- 4.1 In rare circumstances we may receive commissions or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. Where this happens we will notify you in writing of the amount and terms of payment and receipt of any such commissions or benefits. The same will apply where the payment is made to or the transactions are arranged by a person or business connected with ours. The fees you would otherwise pay will not be reduced by the amount of the commissions or benefits. You agree that we, or our associates, can retain the commission or other benefits without being liable to account to you for any such amounts.

5.0 COMPLAINTS

- 5.1 We are committed to providing you with a high quality service that is both efficient and effective. However, should there be any cause for complaint in relation to any aspect of our service please contact Stephen Watson. We agree to look into any complaint carefully and promptly and do everything reasonable to put it right. If we do not answer your complaint to your satisfaction you may refer your complaint to our professional body, the Institute of Chartered Accountants in England and Wales.

6.0 CONFIDENTIALITY

- 6.1 Unless we are authorised by you to disclose information on your behalf, we confirm that where you give us confidential information we shall at all times during and after this engagement keep it confidential, except as required by law, by our insurers or as provided for in regulatory, ethical, or other professional pronouncements or as part of an external peer review applicable to us or our engagement. This undertaking will apply during and after this engagement.
- 6.2 You agree that, if we act for other clients who are or who become your competitors, to comply with our duty of confidentiality it will be sufficient for us to take such steps as we think appropriate to preserve the confidentiality of information given to us by you, both during and after this engagement. These may include taking the same or similar steps as we take in respect of the confidentiality of our own information.
- 6.3 In addition, if we act for other clients whose interests are or may be adverse to yours, we will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate teams, physical separation of teams, and separate arrangements for storage of and access to information.
- 6.4 You agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid any real risk of confidentiality being impaired.

7.0 CONFLICTS OF INTEREST

- 7.1 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 unless we are unable to do so because of our confidentiality obligations. We have safeguards that can be implemented to protect the interests of different clients if a conflict arises. 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.
- 7.2 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. You agree that we reserve the right to act during and after our engagement for other clients whose interests are or may be competing with or adverse to yours subject of course to our obligations of confidentiality and the safeguards set out in the paragraphs on confidentiality above.

8.0 DATA PROTECTION

- 8.1 In this clause [8], the following definitions shall apply:

'client personal data' means any personal data provided to us by you, or on your behalf, for the purpose of providing our services to you, pursuant to our engagement letter with you;

'data protection legislation' means all applicable privacy and data protection legislation and regulations including PECR, the GDPR and any applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time;

'controller', 'data subject', 'personal data', and 'process' shall have the meanings given to them in the data protection legislation;

'GDPR' means the General Data Protection Regulation ((EU) 2016/679); and

'PECR' means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003).

8.2 We shall each be considered an independent data controller in relation to the client personal data. Each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.

8.3 You shall only disclose personal data to us where:

- (i) you have provided the necessary information to the relevant data subjects regarding its use and you may use or refer to our privacy notice available at <https://www.moorenorthyorkshire.com/home/privacy> for this purpose;
- (ii) you have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject's consent; and
- (iii) you have complied with the necessary requirements under the data protection legislation to enable you to do so.

8.4 Should you require any further details regarding our treatment of personal data, please contact our Data Protection Point of Contact.

8.5 We shall only process the client personal data:

- (i) in order to provide our services to you and perform any other obligations in accordance with our engagement with you;
- (ii) in order to comply with our legal or regulatory obligations; and
- (iii) where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects' own privacy rights. Our privacy notice available at <https://www.moorenorthyorkshire.com/home/privacy> contains further details as to how we may process client personal data.

8.6 For the purpose of providing our services to you, pursuant to our engagement letter, we may disclose the client personal data to members of our firm's network, our regulatory bodies or other third parties (for example, our professional advisors or service providers). The third parties to whom we disclose such personal data may be located outside of the European Economic Area (EEA). We will only disclose client personal data to a third party (including a third party outside of the EEA) provided that the transfer is undertaken in compliance with the data protection legislation. We may disclose the client personal data to other third parties in the context of a possible sale, merger, restructuring or financing of or investment in our business. In this event we will take appropriate measures to ensure that the security of the client personal data continues to be ensured in accordance with data protection legislation. If a change happens to our business, then the new owners may use our client personal data in the same way as set out in these terms.

8.7 We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data.

8.8 In respect of the client personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:

- (i) we receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of our processing of their personal data;
- (ii) we are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the

client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner's Officer); or

- (iii) we reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.

8.9 Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the services provided to you in accordance with our engagement letter with you in relation to those services

9.0 ELECTRONIC AND OTHER COMMUNICATION

9.1 Unless you instruct us otherwise we may, where appropriate, communicate with you and with third parties via email or by other electronic means. The recipient is responsible for virus checking emails and any attachments.

9.2 With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices. However electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses nor for communications which are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication especially in relation to commercially sensitive material. These are risks you must bear in return for greater efficiency and lower costs. If you do not wish to accept these risks please let us know and we will communicate by paper mail, other than where electronic submission is mandatory.

9.3 Any communication by us with you in the UK sent through the post system is deemed to arrive at your postal address two working days after the day that the document was sent.

10.0 FEES AND PAYMENT TERMS

10.1 Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility and the importance and value of the advice that we provide, as well as the level of risk.

10.2 If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.

Otherwise our fees will be calculated on the basis of the hours worked by each member of staff necessarily engaged on your affairs multiplied by their charge-out rate per hour, VAT being charged thereon. Hourly rates currently range from £30 for junior members of staff to £150 for the principal.

10.3 If requested 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 in the light of events. 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.

10.4 In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such insurance was arranged through us you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

10.5 Depending on the nature of the work we may bill annually, quarterly or monthly and our invoices will be due for payment within 30 days of issue. Our fees are exclusive of VAT which will be added where it is chargeable. Any disbursements we incur on your behalf and

expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate.

- 10.6 Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees. Should these costs be incurred to fulfil our engagement then such necessary additional charges may be payable by you.
- 10.7 If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.
- 10.8 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 we shall be entitled to enforce any sums due against the group company or individual nominated to act for you.

11.0 IMPLEMENTATION

- 11.1 We will only assist with implementation of our advice if specifically instructed and agreed in writing.

12.0 INTELLECTUAL PROPERTY RIGHTS

- 12.1 We will retain all copyright in any document prepared by us during the course of carrying out the engagement save where the law specifically provides otherwise.

13.0 INTERPRETATION

- 13.1 If any provision of our engagement letter or terms of business is held to be void, then that provision will be deemed not to form part of this contract. In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

14.0 INTERNAL DISPUTES WITHIN A CLIENT

- 14.1 If we become aware 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. Unless otherwise agreed by all parties we will continue to supply information to the normal place of business for the attention of the directors/proprietors. If conflicting advice, information or instructions are received from different directors/principals in the business we will refer the matter back to the board of directors/partners and take no further action until the board/partnership has agreed the action to be taken.

15.0 INVESTMENT ADVICE AND SERVICES (INCLUDING INSURANCE MEDIATION SERVICES)

- 15.1 Investment business is regulated by the Financial Services and Markets Act 2000. If during the provision of professional services to you, you need advice on investments, we may have to refer you to someone who is authorised by the Financial Conduct Authority as we are not.

However, as we are licensed by the Institute of Chartered Accountants in England and Wales, we may be able to provide certain investment services that are complementary to, or arise out of, the professional services we are providing to you: such advice may include private company share valuations share transfers and transfers into pension schemes. In the unlikely event that we cannot meet our liabilities to you, you may be able to claim compensation under the Chartered Accountants' Compensation Scheme in respect of exempt regulated activities undertaken.

16.0 REFERRAL TO A PERMITTED THIRD PARTY (PTP)

- 16.1 If you require advice on investment business which we are unable to give as we are not authorised by the Financial Conduct Authority, we can introduce you to Filefont Limited which is

a PTP authorised by the Financial Conduct Authority. Filefont Limited is an associated business to the practice, and one in which we have a financial interest.

- 16.2 The PTP will issue you with its own terms and conditions letter, will be remunerated separately for its services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000. We will act as introducers but would be pleased to comment on, or explain any advice received and if required attend any meetings with you.
- 16.3 To enable us to provide you with a proper service, there may be occasions when we will need to contact you without your express permission concerning investment business matters. For example, it may be in your interests to sell a particular investment, and we would wish to inform you of this. We may therefore contact you in such circumstances. We shall, of course, comply with any restrictions you may wish to impose which you notify to us in writing.

17.0 LIEN

- 17.1 Insofar as we are 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.

18.0 LIMITATION OF THIRD PARTY RIGHTS

- 18.1 The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. A party to this agreement is the only person who has the right to enforce any of its terms and no rights or benefits are conferred on any third party under the Contracts (Rights of Third Parties) Act 1999.

19.0 LIMITATION OF LIABILITY

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

19.1 Exclusion of liability for loss caused by others

We will not be liable if such losses, penalties, surcharges, interest or additional tax liabilities are caused by 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 caused by a failure to act on our advice or a failure to provide us with relevant information.

19.2 Exclusion of liability in relation to circumstances beyond our control

We 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.

19.3 Exclusion of liability relating to the discovery of fraud, etc

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 misrepresented to us. This applies equally to fraudulent acts, misrepresentation or wilful 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 beyond that which it would have been reasonable for us to have carried out in the circumstances.

19.4 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 by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it.

19.5 Limitation of aggregate liability

Where the engagement letter specifies an aggregate limit of liability, then that sum shall be the maximum aggregate liability of this firm, its principal and employees to all persons to whom the engagement letter is addressed and also any other person that we have agreed with you may rely on our work. By signing the engagement letter you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it you should contact us to discuss it before signing the engagement letter.

You have agreed that you will not bring any claim of a kind that is included within the subject of the limit against the principal or employees on a personal basis.

20.0 PERIOD OF ENGAGEMENT AND TERMINATION

- 20.1 Unless otherwise agreed in our engagement letter, our work will begin when we receive implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.
- 20.2 Each of us may terminate our 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.
- 20.3 We reserve the right to terminate the engagement between us with immediate effect in the event of: your insolvency, bankruptcy or other arrangement being reached with creditors; an independence issue or change in the law which means we can no longer act; failure to pay our fees by the due dates; or either party being in breach of their obligations if this is not corrected within 30 days of being asked to do so.
- 20.4 In the event of termination of our contract, we will endeavour 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.

21.0 PROFESSIONAL RULES AND STATUTORY OBLIGATIONS

- 21.1 We will observe and act in accordance with the bye-laws, regulations and code of ethics of the Institute of Chartered Accountants in England and Wales and will accept instructions to act for you on this basis. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements in our offices. The requirements are also available on the internet at www.icaew.com/en/membership/regulations-standards-and-guidance.
- 21.2 We confirm that we are Statutory Auditors eligible to conduct audits under the Companies Act 2006. When conducting audit work, we are required to comply with the Ethical and Auditing Standards issued by the FRC, which can be accessed online at <https://frc.org.uk/auditors/audit-assurance/standards-and-guidance>. We are also required to comply with the Audit Regulations and Guidance which can be accessed at icaew.com/en/technical/audit-and-assurance/working-in-the-regulated-area-of-audit.

- 21.3 We confirm that we are accredited for the reserved legal activity of non-contentious probate. When conducting probate work we are required to comply with the Probate Regulations which can be accessed on the internet at <http://www.icaew.com/en/members/regulations-standards-and-guidance/reserved-legal-services>.

All firms accredited to perform the reserved legal service of probate are required to collect report and publish diversity data about their employees every two years.

Our data is collected from a relatively small data-set and The Equalities and Human Rights Commission states it is important that you do not breach workers' or applicants' confidentiality, or reveal anything which might enable someone to work out information about another person which was provided in confidence.

For fear of the anonymity of individual members of staff being compromised we have decided to adapt the information we publish accordingly and only make this available on request. To view the results please contact the principal asking to view the results of our latest diversity data survey.

22.0 QUALITY CONTROL

- 22.1 As part of our ongoing commitment to providing a quality service, our files are periodically reviewed by an independent regulatory or quality control body. These reviewers are highly experienced and professional people and, of course, are bound by the same rules for confidentiality as our principal and staff.
- 22.2 When dealing with HMRC on your behalf we are required to be honest and to take reasonable care to ensure that your returns are correct. To enable us to do this, you are required to be honest with us and to provide us with all necessary information in a timely manner. For more information about 'Your Charter' for your dealings with HMRC, visit www.gov.uk/government/publications/your-charter. To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you.

23.0 RELIANCE ON ADVICE

- 23.1 We will endeavour 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.

24.0 RETENTION OF PAPERS

- 24.1 You have a legal responsibility to retain documents and records relevant to your financial affairs. During the course of our work we may collect information from you and others relevant to your tax and financial affairs. We will return any original documents to you if requested. Documents and records relevant to your tax affairs are required by law to be retained for 6 years from the end of the accounting period.
- 24.2 Whilst certain documents may legally belong to you, we may destroy correspondence and other papers that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must tell us if you wish us to keep any document for any longer period.

25.0 The Provision of Services Regulations 2009

- 25.1 We are registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. Details of our audit registration can be viewed at www.auditregister.org.uk for the UK, under reference number C007174457.
- 25.2 We are authorised by the Institute of Chartered Accountants in England and Wales to carry out the reserved legal activity of non-contentious probate in England and Wales. Details about our probate registration can be viewed at www.icaew.com/probate, under reference number C007174457.

25.3 Our professional indemnity insurer is Zurich Insurance plc of Zurich House Ballsbridge Park, Dublin 4, Ireland. The territorial coverage is worldwide, subject to conditions and exclusions arising out of claims and legal proceedings made within the jurisdictions or territories of the United States of America and/or Canada.

26.0 Timing of our services

26.1 If you provide us with all information and explanations on a timely basis in accordance with our requirements, we will plan to undertake the work within a reasonable period of time in order to meet any regulatory deadlines. However, failure to complete our services prior to any such regulatory deadline would not, of itself, mean that we are liable for any penalty or additional costs arising.