

## SCHEDULE 1 STANDARD TERMS OF BUSINESS

The following terms of business apply to all engagements accepted by TBL Accountants, the trading name of DCP Accountants LLP. All work is carried out under these terms except where changes are expressly agreed in writing.

### **A Professional rules and practice guidelines**

- A.1** We will observe and act in accordance with the Bye-laws, regulations and ethical guidelines of the Association of Chartered Certified Accountants (ACCA) and accept instructions to provide services for you on this basis.
- A.2** In particular you give us authority to correct errors made by HMRC where we become aware of them. 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.accaglobal.com/en.html](http://www.accaglobal.com/en.html)
- A.3** We confirm, for information that we are Registered Auditors eligible to conduct audits under the Companies Act 2006.
- A.4** TBL Accountants are registered with the Association of Chartered Certified Accountants as chartered certified accountants and can be found on the register of members at: <http://members.accaglobal.com/en/find.an.accountant>

### **B Retention of Records**

- B.1** You have a legal responsibility to retain documents and records relevant to your financial affairs. 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 when our work is complete.
- B.2** A number of laws and regulations specify a retention period and the length of the period is specific to each law. For example documents and records relevant to your tax affairs are required by law to be retained as follows:

Individuals, trustees and partnerships:

- With trading or rental income: 5 years and 10 months after the end of the tax year;
- Otherwise: 22 months after the end of the tax year.

Companies, Limited Liability Partnerships and other corporate entities:

- 6 years from the end of the accounting period.

In the normal course of events, if you retain records and documents for 7 years this should be adequate for most non specialist purposes (although even this period may be insufficient if HMRC allege irregularities).

**B.3** Please note that while certain documents may legally belong to you, in the absence of specific instructions from you, it is our normal practice to destroy correspondence and other papers which are more than 7 years old (except documents we think may be of continuing interest). If you require retention of any document for any longer period, you must notify us in writing.

## **C Conflicts of interest and independence**

**C.1** We will notify you immediately should we become aware of any conflict of interest in our relationship to you or 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 should any conflict arise. 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.

**C.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. We reserve the right to provide services for other clients whose interests are not the same as, or are adverse to, yours subject of course to the obligations of confidentiality.

## **D Confidentiality**

**D.1** We confirm that where you give us confidential information we shall at all times keep it confidential, except as required by law or as provided in regulatory, ethical, or other professional statements or by our insurers. Specifically, in the course of complying with Audit and/or Practice Assurance Regulations or our quality control procedures, our files are subject to periodic review by regulatory bodies, by peer review or by our independent technical consultant. In any event those reviewers inspecting our files will be subject to and bound by the same confidentiality rules as apply to ourselves. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after any engagement.

**D.2** We may, on occasions, subcontract work on your affairs to other professionals in respect of tax or other services. Any such subcontractors will be bound by our client confidentiality terms.

**D.3** You agree that it will be sufficient compliance with our duty of confidentiality 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.

**D.4** Unless you tell us otherwise, we may in the performance of our services attend meetings to discuss your affairs with your other advisers and may do so openly, free from any obligation to you of confidentiality.

**D.5** We reserve the right, for the purpose of promotional activity, training or other business purpose, to mention that you are a client. As stated above, we will not disclose any confidential information.

## **E Service**

**E.1** We wish to provide you with a high quality service at all times and your engagement partner will seek to ensure that this is so. If at any time you would like to discuss with us how we could improve our service or if you are unable to deal with any difficulty through your engagement partner, please contact Hazel Wynn, who will bring your concerns to the attention of an alternative partner in our firm to ensure that these are addressed.

**E.2** We undertake to look into any complaints carefully and promptly and to do what we can to resolve the position. If we have given you a less than satisfactory service, we undertake to do everything reasonable to put it right. If you are still not satisfied you may of course take up matters with our Regulator, the ACCA.

## **F Fees**

**F.1** Our fees are computed on the basis of the time spent on your affairs by the principals and our staff and on the levels of skill, responsibility and risk involved as well as the importance and value of the advice that we provide. If any aspect of your case requires a high degree of urgency or becomes particularly complicated a higher fee may be merited. Disbursements we incur on your behalf and direct out of pocket expenses and VAT will be added as appropriate.

- F.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.
- F.3** Where it is necessary for us to perform work outside the responsibilities set out in the earlier part of this letter, may we remind you that this will involve additional time being spent on your affairs and will, therefore, involve additional fees (for example dealing with HM Revenue & Customs enquiries into the tax return).
- F.4** Where 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.
- F.5** In certain instances you may be entitled to assistance with part of your professional fees, particularly in relation to any investigation into your affairs by HMRC. Such 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.
- F.6** Unless otherwise agreed to the contrary, our fees do not include the costs of any third party, counsel or other professional fees.
- F.7** Unless otherwise agreed, our fees will be charged separately for each of the main classes of work undertaken and will be billed at appropriate intervals as work progresses during the course of the year.
- F.8** Fees are payable within 30 days of presentation. The firm reserves the right to charge interest at the rate of 5% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998 in the case of overdue accounts. We also reserve the right to terminate our engagement and cease acting if payment of any undisputed fees is unduly delayed. However, it is not our intention to use these rights in a way which is unfair or unreasonable.
- F.9** Our bank account details are:  
National Westminster Bank    Account name: TBL Accountants  
Account number: 70129576    Sort code: 55 50 28
- F.10** 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. To be clear, in signing our Engagement Letter, you are providing a personal guarantee to us in respect of our fees.
- F.11** If you disagree with our fees or have any queries regarding our fees, you must notify us in writing within twenty working days of the fee note date, failing which you will be deemed to have agreed to its terms. You agree that you will, in any event, pay all undisputed amounts in accordance with this engagement letter.
- F.12** We normally ask clients to pay a proportion of their fee on a monthly standing order. These standing orders will be applied to fees for work performed under our engagement letter for the current and ensuing years.

## **G**    **Client monies**

- G.1** We may, from time to time, hold money on your behalf. Such 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 Rules of the ACCA. These rules can be found on the ACCA website at: <http://www.accaglobal.com/en.html>. Our client bank account details are as follows:  
National Westminster                      Account name: TBL Accountants Clients Account  
Account number: 70132577                      Sort code: 55 50 28
- G.2** In order to avoid an excessive amount of administration, interest will only be paid to you where the amount of interest that would be earned on the balances held on your behalf in any calendar year exceeds £25.
- G.3** If the total 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 separate, designated interest-bearing bank account. Subject to any tax legislation, all interest paid to you will be paid gross.

**G.4** 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 whom 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.

## **H Commissions**

**H.1** In some circumstances we, or one of our associates, may receive commissions or other benefits in respect of introductions to other professionals or transactions we, or such associates, arrange for you.

**H.2** In the event of our receiving any such commission or benefits we will notify you in writing of the amount and terms of payment. You agree that we, or any associated entity, may retain any commission or other benefit without being liable to account to you for such amounts.

## **I Reliance on advice**

**I.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/telephone conversation and you wish to be able to rely on that advice, you must ask us to confirm it in writing.

**I.2** You understand that you remain solely responsible for managing all aspects of your business, for taking all decisions and operating all accounting, internal control or management information systems. This includes applying your independent business judgement to evaluate any advice or recommendations that we give you. You will be responsible for deciding whether our recommendations make sense in the context of your business, and whether you wish to rely on, implement or act on them, including the actions necessary to realise any expected benefits.

**I.3** You are responsible for determining that the scope of the agreed services is appropriate for your needs.

## **J Limitation of Liability**

**J.1** We will provide our professional services outlined in this letter with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or wilful default. 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.

**J.2** You will not hold us, our principals and staff, 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 our partners or employees personally.

**J.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.

**J.4** We acknowledge that it is not possible to limit the firm's liability to shareholders arising from the firm's appointment as statutory auditor under the Companies Act 2006, and we would not seek to do so. However, to the extent that we may provide other services to you, which are not covered by a separate letter of engagement, we believe it is appropriate to limit our liability in respect of these services.

**J.5** Accordingly, henceforth in respect of all claims against us accruing in any twelve month period, from the date of this letter, the liability arising out of, or in connection with this engagement, you agree shall be limited in total to forty times the fees rendered during the respective twelve month period to which the fees relate. This maximum aggregate liability covers claims of any sort whatsoever including any claims in respect of breaches of contract, tort (including negligence) or otherwise in respect of professional services provided by us and shall also include interest and costs. We acknowledge that the limit will not apply to any acts,

omissions or representations that are in any way criminal, dishonest or fraudulent on the part of the firm, its partners or employees.

## **K Data Protection**

**K.1** We confirm that we will comply with the provisions of the General Data Protection Regulation (GDPR) when processing personal data about you, and all other directors or employees or families. Processing means:-  
(a) obtaining, recording or holding personal data; or  
(b) carrying out any operation or set of operations on personal data, including collecting and storage, organising, adapting, altering, using, disclosure (by any means) or removing (by any means) from the records, manual and digital.

**K.2** The information we obtain, process, use and disclose will be necessary for  
(a) the performance of the contract  
(b) to comply with our legal and regulatory compliance and crime prevention  
(c) contacting you with details of other services where you have consented to us doing so  
(d) other legitimate interests relating to protection against potential claims and disciplinary action against us.

This includes, but is not limited to, purposes such as updating and enhancing our client records, analysis for management purposes and statutory returns.

**K.3** In regard to our professional obligations, we are a member firm of the Association of Chartered Certified Accountants (ACCA). Under the ethical and regulatory rules of ACCA, we are required to allow access to client files and records for the purposes of maintaining our membership of this body.

**K.4** Further details on the processing of data is contained in our Privacy Notice, which should be read alongside these terms and conditions. This Notice is available at [www.tblaccountants.co.uk/privacy-policy](http://www.tblaccountants.co.uk/privacy-policy).

## **L Contracts (Rights of Third Parties) Act 1999**

**L.1** Only persons who are party to this agreement shall have rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms. This clause does not affect any right or remedy of any person which exists or is available independently of that Act.

**L.2** The deliverables and advice we give you is for your sole use, is confidential to you and does not constitute advice to any third party to whom you may communicate it, unless we have expressly agreed in writing that a specified third party may rely on it. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any aspect of our professional services or work which you make available to them.

## **M Applicable law and Interpretation**

**M.1** This engagement letter and schedules including our standard terms and conditions shall be governed by, and construed in accordance with English law. Each party agrees that the Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter (including its schedules) and any matter arising from it. Each party irrevocably waives any right it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.

**M.2** If any provision of this letter and schedules is held to be illegal, void or unenforceable in whole or in part, such provision or the affected part shall be deemed not to form part of this contract but all other provisions, together with the remainder of the affected provision shall remain in full force and effect.

**M.3** In the event of any conflict between these terms of business and the rest of the engagement letter or schedules, the relevant provision in the engagement letter or schedules will take precedence.

## **N Communication and Filing**

**N.1** Communication between us is confidential. We shall take all reasonable steps not to disclose your information except where we are required to and as set out in our privacy notice. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

- N.2** We may use email or other electronic means to communicate with you and third parties on your behalf. It is the responsibility of the recipient to carry out a virus check on any attachments received.
- N.3** As with other means of delivery, electronic communications are capable of data corruption, delayed or, non-receipt, inadvertent misdirection or interception by third parties. It may therefore be inappropriate to rely on advice contained in an email without obtaining written confirmation of it.
- N.4** We use virus-scanning software. However, you will appreciate that electronic communication is not totally secure and 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 the firm are borne by you. These risks are associated with the greater efficiency and lower costs peculiar to electronic communication. If you do not agree to accept this risk, you should notify us in writing that email is not an acceptable means of communication and we will communicate by paper mail, other than where electronic submission is mandatory.
- N.5** Any communication by us with you sent through the post is deemed to arrive at your postal address two working days after the day the document was sent.
- N.6** On receiving a signed document for filing with the authorities we will take your signature as meaning that it may be filed in either paper or electronic form.
- N.7** To provide an efficient service that enables us to comply with deadlines, we prefer to utilise a portal facility so that you can electronically authorise documents. This is our preferred method of communication where sensitive data is involved. Unless you instruct otherwise, we will utilise this facility when dealing with your affairs. To facilitate this, it is your obligation to advise us of any change to your email address.

## **O The Provision of Services Regulations 2009**

- O.1** Details of our professional indemnity insurer may be found on our website ([www.tblaccountants.co.uk](http://www.tblaccountants.co.uk)). 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 or Canada.

## **P Period of engagement**

- P.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.

## **Q Lien**

- Q.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.

## **R Implementation**

- R.1** This Contract does not make either of us an agent or legal representative of the other, nor does it create a partnership or joint venture.
- R.2** We will only assist with implementation of our advice if specifically instructed and agreed in writing.

## **S Intellectual Property Rights**

- S.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.

## **T Internal disputes within a client**

- T.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. We will not provide information or services to one party without express knowledge and permission of all parties. Unless

otherwise agreed by all parties we will continue to supply information to the registered office/normal place of business for the attention of the directors or equivalent parties. If conflicting advice, information or instructions are received from different directors, or equivalent, in the business we will refer the matter back to the Board, or equivalent, and take no further action until the Board or equivalent has agreed the action to be taken.

## **U Termination/Disengagement of engagement**

- U.1** Each of us may terminate this agreement by giving not less than 21 days' notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, in which case we may terminate this agreement immediately. Terminating will be without prejudice to any rights that may have accrued to either of us prior to termination.
- U.2** In the event of termination of this 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 reasonable or liable for any consequences arising from termination.
- U.3** Should we resign, or be requested to resign, we may, as part of our normal practice, issue a disengagement letter to ensure that our respective responsibilities are clear. Should we have no contact with you for a period of 2 years or more we may issue such a letter to your last known address and hence cease to act.

## **V Other**

The Members of DCP Accountants LLP will be referred to as "Partners or Principals" and not the legal term "Members". For the avoidance of doubt we confirm that DCP Accountants LLP is a limited liability partnership and not a partnership.