



Terms & Conditions of Business

- **Our Service to the Company**

- i. We shall compile the annual accounts based on the accounting records maintained and the information and explanations given to us by your company. We shall compile draft annual accounts for your approval. We shall plan our work on the basis that no report is required by statute or regulation for the year, unless you inform us in writing to the contrary.
- ii. Our work as the compilers of the annual accounts will not be an audit of the accounts in accordance with Auditing Standards. Consequently our work will not provide any assurance that the accounting records or the accounts are free from material misstatement, whether caused by fraud, other irregularities or error. However, your Company, not being a law firm or travel agent etc, does not need an audit.
- iii. We will report, any variations that we consider may be necessary, that in accordance with your instructions, we have the accounts from the accounting records of the business and from the information and explanations supplied to us.
- iv. We have a professional duty to compile accounts that conform to generally accepted accounting principles. Where we identify that the accounts do not conform to accepted accounting principles, or if the accounting policies adopted are not immediately apparent, we will report this to you.
- v. As part of our normal procedures we may request you to provide written confirmation of any information or explanations given to us orally during the course of our work.

- **Your Responsibility**

- i. You have undertaken to make available to us all the accounting records and related financial information necessary for the compilation of the accounts. You will make full disclosure to us of all relevant information. The accounts need to be approved by you before we are able to issue our report.
- ii. You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the accounts, is reliable. You are also responsible for ensuring that the activities of the business are conducted honestly, that its assets are safeguarded, and to establish arrangements to deter fraudulent or other dishonest conduct and to detect any that occur.
- iii. You are responsible for ensuring that the business complies with the laws and regulations applicable to its activities, to establish arrangements designed to prevent any non-compliance and to detect any that occur.

- **Tax Returns**

(tick box if this specific service is required)

- i. We will prepare from the accounts and other information and explanations provided by your company's corporation tax return and computations, together with all supporting schedules and, where necessary, amended returns.
- ii. We will send you the tax return and supporting schedules for you to approve and sign. We will then submit it, with the accounts and computations, to HMRC.
- iii. We will advise you of the amounts of corporation tax to be paid and the dates by which your company should make the payments. Where appropriate, we will initiate repayment claims when tax has been overpaid.
- iv. If you wish, we will advise you whether quarterly corporation tax payments ought to be made, but in order to do this you will need to provide us with appropriate management information.
- v. We will advise as to possible claims and elections arising from the tax return and from information supplied by you. Where instructed by you, we will make such claims and elections in the form and manner required by HMRC.
- vi. We will deal with all communications relating to your company's tax return addressed to us by HMRC or passed to us by your company.
- vii. We will prepare the tax provisions and disclosures to be included in your company's statutory accounts.

Your Responsibilities: Provision of Information by You for Tax Purposes

- i. Your company is legally responsible for making correct returns by the due date and for payment of tax on time. Failure to meet the deadlines may result in automatic penalties and/or interest.
- ii. To enable us to carry out our work you agree:
 - a that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
 - b to provide full information necessary for dealing with your company's affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
 - c that we can approach such third parties as may be appropriate for information that we consider necessary to deal with Your company's affairs;

- d to provide us with information in sufficient time for your company's tax returns to be completed and submitted by the due date of following the end of the accounting period.
- e to forward to us on receipt copies of notices of assessment, letters and other communications received from HMRC to enable us to deal with them as may be necessary within the statutory time limits; and
- f to keep us informed about significant transactions or changes in circumstances.

- **General Tax Advice**

(tick box if this specific service is required)

- i. We will be pleased to assist you generally with any matters relating to your company's taxation affairs. Please advise us in good time of any proposed transactions. Tax legislation changes frequently and we would recommend that you ask us to review any advice already given if a transaction is delayed, repeated, or if an apparently similar transaction is to be undertaken.
- ii. It is our policy to confirm in writing advice upon which your company's may wish to rely.
- iii. We will be pleased also to advise the directors and executives on their personal income tax and capital tax affairs. In such cases we will need to agree separate terms with the individuals concerned.

- **Bookkeeping and Accounts Preparation**

(tick box if this specific service is required)

We have agreed to perform the following bookkeeping and accounts preparation services for you:

- i. writing up accounting records;
- ii. carrying out nominal ledger postings;
- iii. preparing draft and statutory accounts;
- iv. maintaining details of receipts and payments through cash and bank accounts;
- v. maintaining petty cash records and balancing petty cash accounts;
- vi. carrying out bank reconciliation;
- vii. balancing control accounts for these ledgers, extracting an aged list of individual ledger balances and agreeing these lists to the respective control accounts;
- viii. compiling detailed stock take and work in progress sheets and summaries following your annual stocktaking.

- **Responsibilities for the Preparation of VAT Returns**

(tick box if this specific service is required)

As and when your turnover bridges the threshold for VAT-able purposes;

- i. You are legally responsible for making a correct VAT return, and for payment of VAT on time. Our appointment as agents does not absolve you from your statutory obligations.
- ii. We shall be responsible for preparing your VAT returns from the records of your company. We shall not audit or otherwise check the underlying records. When the VAT return has been completed from the information supplied, we will send you the return form within 10 days of the receipt of records. If you agree the return you should then sign and submit it to HM Customs and Excise together with the required payment. If you consider the return to be incorrect please consult us immediately.
- iii. We would draw your attention to the normal time limit of one month from the end of the period covered by the return. By this time, the return must be signed by the appropriate person and be in possession of HM Customs and Excise. Substantial penalties may arise if this time limit is not observed. It is therefore essential that we, as your agent, are supplied with all the relevant information in good time so that we can complete the return on your behalf.
- iv. We accept no responsibility for any default surcharge that may arise if the books and records are not available to us within 10 days after the return period ends or the books and records prove to be incomplete or unclear, and in particular are not written up to the end of the period, thereby delaying the preparation and submission of the VAT return, or you fail to submit the return and any required payment to HM Customs and Excise on time after we have sent the return to you for signature.

- v. In order for us to prepare the VAT Returns, we shall require you to provide us with the following information:
 - a All VAT returns submitted to HM Customs and Excise in the current VAT year;
 - b Debit and credit notes received or issued in the relevant period;
 - c The purchase day, sales, cash or petty cash books for the relevant period;
 - d Details of errors for which adjustment is now required;
 - e Details of all transaction that will not be covered by the above whether trading or otherwise;
 - f Details of special rulings by HM Customs and Excise;
 - g Details of any VAT penalty notices with ongoing relevance;
 - h Details in respect of all transactions, which have come to light since the last VAT return was prepared, and which require adjustment.

- **VAT Consultancy**

(tick box if this specific service is required)

We shall provide consultancy advice on VAT matters (such as specific transactions which are contemplated) as and when requested to do so by yourselves. Please advise us in good time of any proposed transactions. Tax legislation changes frequently and we would recommend that you ask us to review any advice already given if a transaction is delayed, or is to be repeated, or if an apparently similar transaction is to be undertaken.

- **Payroll and Ancillary Services**

(tick box if this specific service is required)

We shall assist you and provide the following services if required:

- i. Pay As You Earn;
- ii. End of Year Returns (P35), including issue of P60's etc;
- iii. Forms P11D;
- iv. Advising of PAYE and National Insurance liability on a periodic basis;

- **Professional Rules and Practice Guidelines**

We are bound by the ethical guidelines of our professional institute and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines. In particular you give us authority to correct HMRC errors. A copy of these guidelines is available for your inspection in our offices.

- **Clients' Monies**

We do not hold clients' money. We do not have a Client Account. You pay HMRC direct.

- **Retention of Records**

- i. 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 return. You should retain them for 7 years from the 31 January following the end of the tax year. This period may be extended if HMRC enquire into your tax return.
- ii. Whilst certain documents may legally belong to you, unless you tell us not to, we intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we think may be of continuing significance. You must tell us if you require retention of a particular document.

- **Regulatory Requirements**

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

- **Quality of Service**

- i. We are keen to provide the best possible service to our clients. If you would like to discuss how our service could be improved please let us know by telephone, fax, email or letter.
- ii. We undertake to look into any complaint carefully and promptly and do all we can to explain the position to you. We will do everything reasonable to put matters right. Prompt communication enables us to take prompt action on your behalf.
- iii. Should you at any stage, feel that you have not received an adequate response to a complaint the circumstances should be brought to the attention of the Principal.
- iv. If we do not answer your complaint to your satisfaction you may take up the matter with The Association of Chartered Certified Accountants.

- **Fees**
 - i. Our fees are computed on the basis of the time spent on your affairs by the partners and our staff and on the levels of skill and responsibility involved. Unless otherwise agreed, our fees will be billed at appropriate intervals during the course of the year and will be due on presentation. If work is required which is outside the scope of this letter, for example dealing with Inland Revenue enquiries into the tax return, then this will be a separate engagement for which additional fees will be chargeable. We will add value added tax, if applicable, at the current rate.

- ii. Our invoices are payable on presentation. We reserve the right to charge interest at 4% per month in the case of overdue accounts. We may terminate our engagement and cease acting if payment of any fees billed is unduly delayed. However, it is not our intention to use these arrangements in a way that is unfair or unreasonable.

- **Limitation of Liability**

- i. The advice that we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it.
- ii. We will provide the professional services outlined in this letter with reasonable care and skill. However, we will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities arising from the supply by you or others of incorrect or incomplete information, or from the failure by you or others to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or the tax authorities.
- iii. Email may be used to enable us to communicate with you. As with 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.

- **Electronic Communication**

As internet communications are capable of data corruption, we do not accept any responsibility for changes made to such communications after their despatch. For this reason it may be inappropriate to rely on advice contained in an email 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 email is not an acceptable means of communication.

- **Applicable Law**

This engagement letter shall be governed by, and construed in accordance with, English law. The courts of England & Wales shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning the engagement letter 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.

- **Data Protection Act 1998**

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.

- **Contracts (Rights of Third Parties) Act 1999**

A person who is not party to this agreement shall have no right under the contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person that exists or is available otherwise than pursuant to that Act.

- **Our professional fees**

Our fees are fixed and transparent - for the above mentioned work, we propose to charge you annually:

£ + VAT

which will be payable by standing order for the amount of £ every monthly.

Please contact us for our bank details. We have to explain about our annual fee which we collect it by standing order. Annual means accounting period for the particular company. If it is a sole trader or partnership then it's going to be 6th of April to 5th of April.

- **Agreement of Terms**

- i. Once it has been agreed, this letter will remain effective from the date of signature until it is replaced. Either party may vary or terminate our authority to act on your behalf at any time without penalty. Notice of termination must be given in writing.
- ii. Would you please confirm your agreement to the terms set out by this letter by signing and returning the enclosed copy. Please contact us if they are not in accordance with your understanding of our terms of engagement.

Daniel Consultancy
27 Aintree Rd, Perivale, Middx UB6 7LA
Tel: 0208 997 8948
Fax: 0208 997 8949
W: www.dccaccountants.co.uk

I have read and accept the full terms & conditions set out in this document.

(tick box to accept)

In case of electronic form completion and return, this acceptance mark will formally replace a written signature.

.....
Company Name

.....
Signed for and on behalf of your company

.....
Name

.....
Dated

If returning the form file electronically, please ensure you use the 'SAVE AS' function once form completed - including your **company name** in new file name.