



Charlton  
Baker

# Client Services Brochure

# A guide to our services, responsibilities & conditions.

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# Accounts (Limited Companies & LLPs)

## Annual accounts for:

- a) Limited Companies and LLPs
- b) Sole Traders, Partnerships, Landlords, Clubs

# Accounts (Limited Companies & LLPs)

## Your Responsibilities

Team CB are here to help. However, your responsibilities as directors/members are as follows:

You are responsible for preparing financial statements which give a true and fair view and which have been prepared in accordance with the Companies Act 2006 (the Act). You must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss account.

### **In preparing the financial statements, you are required to:**

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the company will continue in business.

You are responsible for keeping adequate accounting records that set out with reasonable accuracy at any time the financial position, and for ensuring that the financial statements comply with applicable accounting standards and with the Companies Act 2006 and give a true and fair view. By approving the financial statements you will be acknowledging this responsibility.

You are also responsible for safeguarding the assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

You are also responsible for deciding whether, in each financial year, the company meets the conditions for exemption from an audit, as set out in section 477, 479A or 480 of the Companies Act 2006, and for deciding whether the exemption can be claimed that year.

You are responsible for ensuring that the company complies with the laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.

You have undertaken to make available to us, as and when required, all the accounting records and related financial information and explanations, including minutes of management and shareholders'/directors'/ members' meetings, that we need to do our work. This is required to be confirmed in the directors' report along with an acknowledgement that the financial statements have been prepared on an appropriate accounting basis.

If financial information is published - on the company's website or by other electronic means - which includes a report by us or otherwise associated with us, you must inform us of the electronic publication and get our consent before it occurs and ensure that it presents the financial information properly. We have the right to withhold consent to the electronic publication of the financial statements if they are to be published in an inappropriate manner.

It is your responsibility to set up controls to prevent or detect quickly any changes to electronically published information. We are not responsible for reviewing these controls or for keeping the information under review after it is first published. You are responsible for the maintenance and integrity of electronically published information, and we accept no responsibility for changes made to any information after it is first posted.

# Accounts (Limited Companies & LLPs)

## Your Responsibilities

### **Our responsibilities as your accountant are as follows:**

You have asked us to help you prepare the financial statements in accordance with the requirements of the Companies Act 2006, to enable profits to be calculated to meet the requirements of current tax legislation and to provide sufficient and relevant information to complete a tax return. We will compile the financial statements for your approval based on the accounting records and the information and explanations that you give us.

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 management and undertake any procedures that we judge appropriate but are under no obligation to perform procedures that may be required for assurance engagements such as audits or reviews.

You have told us that the company is exempt from an audit of the financial statements. We will not check whether this is the case. However, if we find that the company is not entitled to the exemption, we will inform you.

Our work will not be an audit of the financial statements 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.

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 that we prepare from those records will present a true and fair view. We will advise you on whether your records are adequate for preparation of the financial statements and recommend improvements on anything we come across during the course of our work.

We have a professional duty to compile financial statements that conform with generally accepted accounting principles from the accounting records and information and explanations given to us. The accounting policies on which the financial statements have been compiled will be disclosed in the notes to the financial statements and will be referred to in our accountants' report. We will not compile financial statements if the accounting principles, or the accounting policies selected by management, are inappropriate.

We also 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. In circumstances where the 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.

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. You have instructed us to convert the financial statements into the iXBRL (inline eXtensible Business Reporting Language) format which is required by HMRC. We will use professional software to create the tagged financial statements and you therefore agree that we can process any standard data tags without your prior approval, only referring back to you for any non-standard or judgmental areas. It remains your legal responsibility to provide the information in the iXBRL format and we will therefore issue a tagging report for your approval.

# Accounts (Limited Companies & LLPs)

## The Accountants' Report

The accountants' report helps users derive comfort from the involvement of chartered accountants who are subject to the ethical and other guidance issued by ICAEW in relation to the preparation of the financial information or statements. It also helps prevent users from deriving unwarranted assurance from the financial information or statements where no audit or assurance work has been performed and no opinion is expressed by the accountants.

We will report to the Board of Directors/Members as appropriate that, in accordance with this engagement letter and to assist you to fulfil your responsibilities, we have not carried out an audit but have compiled the financial statements from the accounting records and from the information and explanations supplied to us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's Board of Directors, as a body. If you wish to share this report with third parties, before doing so, you must discuss this with us, receive our consent and follow any stipulated conditions.



# Accounts (Sole traders, Partnerships, Landlords, Clubs)

## Your Responsibilities

**Team CB is here to help. However, your responsibility for the preparation of financial statements is as follows:**

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.

You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the financial statements, 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.

You will approve and sign the financial statements 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.

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.

## Our Responsibilities

**Our responsibilities as your accountant is as follows:**

You have asked us to help you prepare the financial statements which comply with applicable accounting standards to enable profits to be calculated to meet the requirements of current tax legislation and to provide sufficient and relevant information to complete a tax return. We will compile the financial statements for your approval based on the accounting records and the information and explanations you give us.

Our work will not be an audit of the financial statements 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. 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.

We will advise you whether your records are adequate for preparation of the financial statements and recommend improvements on anything we come across during the course of our work. We have a professional duty to compile financial statements that conform with generally accepted accounting principles from the accounting records and information and explanations given to us. The accounting policies on which the financial statements have been compiled will be disclosed in the notes to the financial statements and will be referred to in our accountants' report. We will not compile financial statements if the accounting principles, or the accounting policies selected by management are inappropriate.

We also have a professional responsibility not to allow our name to be associated with financial information 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.

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.

# Accounts (Sole traders, Partnerships, Landlords, Clubs)

## The Accountants' Report

The accountants' report helps users derive comfort from the involvement of chartered accountants who are subject to the ethical and other guidance issued by ICAEW in relation to the preparation of the financial information or statements. It also helps prevent users from deriving unwarranted assurance from the financial information or statements where no audit or assurance work has been performed and no opinion is expressed by the accountants.

We will report to you as appropriate that, in accordance with this engagement letter, we have not carried out an audit but have compiled the financial statements from the accounting records and from the information and explanations supplied to us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than you for our work or for this report. If you wish to share this report with third parties, before doing so, you must discuss this with us, receive our consent and follow any stipulated conditions.

# Audit



# Your Responsibilities As Directors Or Members

As directors or members of the company or limited liability partnership, you are responsible for preparing financial statements which give a true and fair view and which have been prepared in accordance with the Companies Act 2006 as applied by the company or limited liability partnerships Accounts and Audit application of the Companies Act 2006 Regulations 2008. As directors or designated members you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company or limited liability partnership.

## **In preparing the financial statements, you are required to:**

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the company or limited liability partnership will continue in business.

You are responsible for keeping adequate accounting records that set out, with reasonable accuracy, at any time, the company's or limited liability partnership's financial position and for ensuring that the financial statements comply with applicable accounting standards and with the Companies Act 2006 and give a true and fair view.

You are also responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

You are also responsible for safeguarding the assets of the company or limited liability partnership and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

You are responsible for ensuring that the company or limited liability partnership complies with the laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs. This is in addition to the general duties required by directors under s.170-177 of the Companies Act 2006. Not applicable to limited liability partnership.

You have undertaken to make available to us, as and when required, all the company's or limited liability partnership's accounting records and related financial information, including minutes of management, shareholders and directors or members meetings, that we need to do our work. You have also undertaken to provide us with unrestricted access to any persons from whom we deem it necessary to obtain audit evidence. Individually, directors are required to take all steps that they ought to take as a director to make themselves aware of any relevant audit information and to establish that we are aware of that information. This is required to be confirmed in the Director's responsibility statement along with acknowledgment that the financial statements have been prepared on an appropriate accounting basis.

If audited financial information which includes a report written by us or otherwise associated with us is published on the company's or limited liability partnership's website or by other electronic means, you must inform us of the electronic publication and get our consent before it occurs and ensure that it presents the financial information and auditor's report properly.

We have the right to withhold consent to the electronic publication of our report or the financial statements if they are to be published in an inappropriate manner.

You must set up controls to prevent or detect any changes to electronically published information. We are not responsible for reviewing these controls or for keeping the information under review after it is first published. You are responsible for the maintenance and integrity of electronically published information, and we accept no responsibility for changes made to any audited information after it is first posted.

# Our Responsibilities As Statutory Auditors

We have a statutory responsibility to report to the members as a body whether, in our opinion, the financial statements have been properly prepared in accordance with applicable accounting standards, whether they have been prepared in accordance with the Companies Act 2006 and whether they give a true and fair view. In arriving at our opinion, we are required to comply with the International Standards on Auditing (UK) and to consider the following matters, reporting on any that we are not satisfied with:

- Whether the company or limited liability partnership has kept adequate accounting records, and whether branches that we have not visited have sent in returns adequate for our audit
- Whether the company's or limited liability partnership's individual accounts are in agreement with the accounting records and returns
- Whether certain disclosures of directors' remuneration specified by law are made
- Whether we have obtained all the information and explanations which we consider necessary for the purposes of our audit.

## **We also have a statutory responsibility to report:**

- Whether the company's strategic report and directors' report [has/have] been prepared in accordance with applicable legal requirements and whether the information given in [it/them] is consistent with the financial statements
- Whether, in the light of the knowledge and understanding of the company and its environment that we have obtained in the course of our audit, we have identified any material misstatements in the strategic report or directors' report, giving an indication of the nature of any such misstatements
- On the appropriateness of the directors' use of the going concern basis of accounting and whether a material uncertainty exists.

We may also need to deal with certain other matters in our report. For example, if the financial statements do not give certain details of directors' remuneration specified by law, the Companies Act 2006 requires us to disclose such matters in our report. If the company or limited liability partnership prepares accounts in accordance with the small companies regime, (for companies only) or takes advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report, when, in our opinion, it is not entitled to do so, we are required to state that fact in our report.

We have a professional responsibility to report if the financial statements do not significantly comply with applicable financial reporting standards, unless we believe there is a good reason for the non-compliance. In deciding whether this is the case, we consider:

- Whether the non-compliance is necessary for the financial statements to give a true and fair view
- Whether the non-compliance has been clearly disclosed.

We also have a professional responsibility to consider whether other information in documents containing audited financial statements is consistent with those financial statements and our knowledge acquired during the course of the audit.

Our report is made solely to the company's or limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work will be undertaken so that we might state to the company's or limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company or limited liability partnership and the company's or limited liability partnership's members as a body, for our audit work, the audit report, or for the opinions we will form. The audit of the financial statements does not relieve you of your responsibilities.

# Our Responsibilities As Statutory Auditors

If the company is a subsidiary, we are required by ISA (UK) 600 to cooperate with the group auditor, providing them with information, explanations and, where necessary, copies of our working papers to allow them to form an opinion on the group financial statements as a whole. You agree that we may communicate with the group auditors and respond to any reasonable requests without any further consent from you.

If we are required to report on consolidated financial statements, we are required by ISA (UK) 600 to obtain sufficient appropriate audit evidence to express an opinion on the consolidated financial statements. We will be responsible for the direction, supervision and performance of the group audit. You agree that we may communicate with the component auditors without any further consent from you.

For listed entities and public interest entities, we will provide those charged with governance with a statement that we have complied with the relevant ethical requirements and communicate all relationships and other matters that may reasonably be thought to bear on our independence along with any relevant safeguards.

For listed entities and in other circumstances when we decide to communicate key audit matters in the audit report, we will determine the matters that were of most significance in the audit from those communicated with those charged with governance.

If we cease to act as statutory auditors for the company or limited liability partnership, we are required by paragraph 9(3) of schedule 10 to the Companies Act 2006, as applied by the limited liability partnerships Accounts and Audit application of the Companies Act 2006 Regulations 2008 to make available, if requested, all relevant information concerning the audit of the company or limited liability partnership to our successors as statutory auditors. You agree to cover any reasonable costs that we may incur in fulfilling our statutory duty in making such information available.



# Scope Of Audit

We will carry out our audit in accordance with International Standards on Auditing (UK). These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements, whether due to fraud or error. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

An audit also includes evaluating the appropriateness of accounting policies and whether they have been consistently applied and adequately disclosed. The reasonableness of accounting estimates made by management will be reviewed, and the overall presentation of the financial statements along with adequate disclosure of the applicable financial reporting framework will be evaluated.

We will evaluate whether the information presented in the financial statements is relevant, reliable, comparable and understandable as well as providing adequate disclosures and appropriate terminology. Because of the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered.

We will review any other information to be presented with the financial statements to identify material misstatements or inconsistencies with the audited financial statements or based on our understanding of the company. If any such material misstatements or inconsistencies remain unchanged, we will need to consider amending our audit report.

We will obtain an understanding of the accounting and internal control systems to assess their adequacy as a basis for the preparation of the financial statements and to establish whether adequate accounting records have been maintained by the company or limited liability partnership. We will expect to obtain such appropriate evidence as we consider sufficient to enable us to draw reasonable conclusions.

In addition to our report on the financial statements, we will provide you with a separate letter concerning any significant deficiencies in accounting and internal control systems which come to our attention during our normal audit work.

The nature and extent of our audit will vary according to our assessment of the company's limited liability partnership's accounting system and, if we wish to rely on it the internal control system, and may cover any aspect of the business's operations that we consider appropriate. Our audit is not designed to identify all significant deficiencies in the company's or limited liability partnership's systems and internal controls but, if we detect significant deficiencies, we will report them to you in writing. You may not show this report to third parties without our prior written consent. We will grant consent on the basis that the report is only prepared in the sole interests of the company or limited liability partnership and that we accept no duty or responsibility to any other party as concerns the report.

As part of our normal audit procedures, we may ask you to confirm in writing representations you have made to us during the audit. In particular, if misstatements in the financial statements that we bring to your attention are not adjusted, you must state your reasons. In connection with representations and the supply of information to us generally, we draw your attention to section 501 of the Companies Act 2006 under which it is an offence for anyone knowingly supply information to the auditors that is false or misleading and to fail to promptly provide information requested. To help us examine your financial statements, we will ask to see all documents or statements that are due to be issued with the financial statements. We are also entitled to receive details of all written resolutions that are to be circulated to members, to attend all the company's general meetings and to receive notice of them all.

In performing our audit procedures, we may make use of analytical tools. To facilitate this we may request that you extract data, provide backups or provide alternative access (eg using an Application Programming Interface) to your accounting systems. How we will use analytical tools and any data will be set out in the communication of our planned approach with you.

# Scope Of Audit

You are responsible for safeguarding the company's or limited liability partnership's assets and for preventing and detecting fraud, error and non-compliance with laws or regulations. We will plan our audit so that we can reasonably expect to detect significant misstatements in the financial statements or accounting records (including those resulting from fraud, error or non-compliance with laws or regulations), but you cannot rely on us finding all such errors.

We shall not be treated as having notice, for the purposes of our audit responsibilities, of information provided to members of our firm (principals and staff) other than those engaged on the audit (for example information provided in connection with accounting, taxation and other services).

In respect of the expected form and content of our report, we refer you to the most recent bulletin on auditors' reports published by the Financial Reporting Council. The form and content of our report may need to be amended in the light of our findings. Once we have issued our report, we have no further responsibility in relation to the financial statements for that financial year. However, we expect that you will inform us of any material event occurring between the date of our report and the date the financial statements are sent out in accordance with section 423 of the Companies Act 2006 which may affect the financial statements.

To ensure that there is effective two-way communication between us and to comply with the requirements of International Standards on Auditing (UK), we will contact you:

- Before the audit to discuss any relevant matters, the planned scope and timing of the audit and to agree any required action
- After the audit to discuss any matters arising from the audit and to confirm any agreed action.

We will, of course, contact you more frequently and regularly about audit and other matters during the course of the audit. We appreciate that the present size of your business makes it uneconomic to create a system of internal control based on the segregation of duties for different functions within each area of the business.

In the running of your company or limited liability partnership, we understand that the director[s] [members] [is] [are] closely involved in the control of the company's transactions. In planning and performing our audit work, we shall take account of this supervision.

The scope of the audit does not extend to providing assurance on the iXBRL tagging of the financial statements submitted with the company tax return as there is no such requirement in the International Standards on Auditing (UK). We therefore accept no responsibility for any tagging inaccuracies identified by HMRC.

## Scope of audit

Except for our responsibilities regarding other information which are set out in the "Requirements regarding other information" section of the engagement letter, we have no obligation to perform any audit procedures regarding the financial statements after the financial statements have been issued. However, we expect that you will inform us of any facts that may affect the financial statements of which you may become aware during the period from the date of our report to the date the financial statements are issued.

## Quality Control

The conduct of our audit in accordance with Financial Reporting Standards on Auditing means that information acquired by us in the course of our audit is subject to strict confidentiality requirements. Information will not be disclosed by us to other parties except as required or allowed for by law or professional standards, or with your express consent. The audit files may, however, be subject to review as part of the quality assurance review program of the Institute of Chartered Accountants of England and Wales (ICAEW) which monitors compliance with professional standards by its members.

# Scope Of Audit

We advise you that by signing this letter you acknowledge that, if requested, the audit files relating to the audit will be made available under the review programs outlined above. The same strict confidentiality requirements apply under these programs as those that apply to us as your auditor.

## Electronic communication

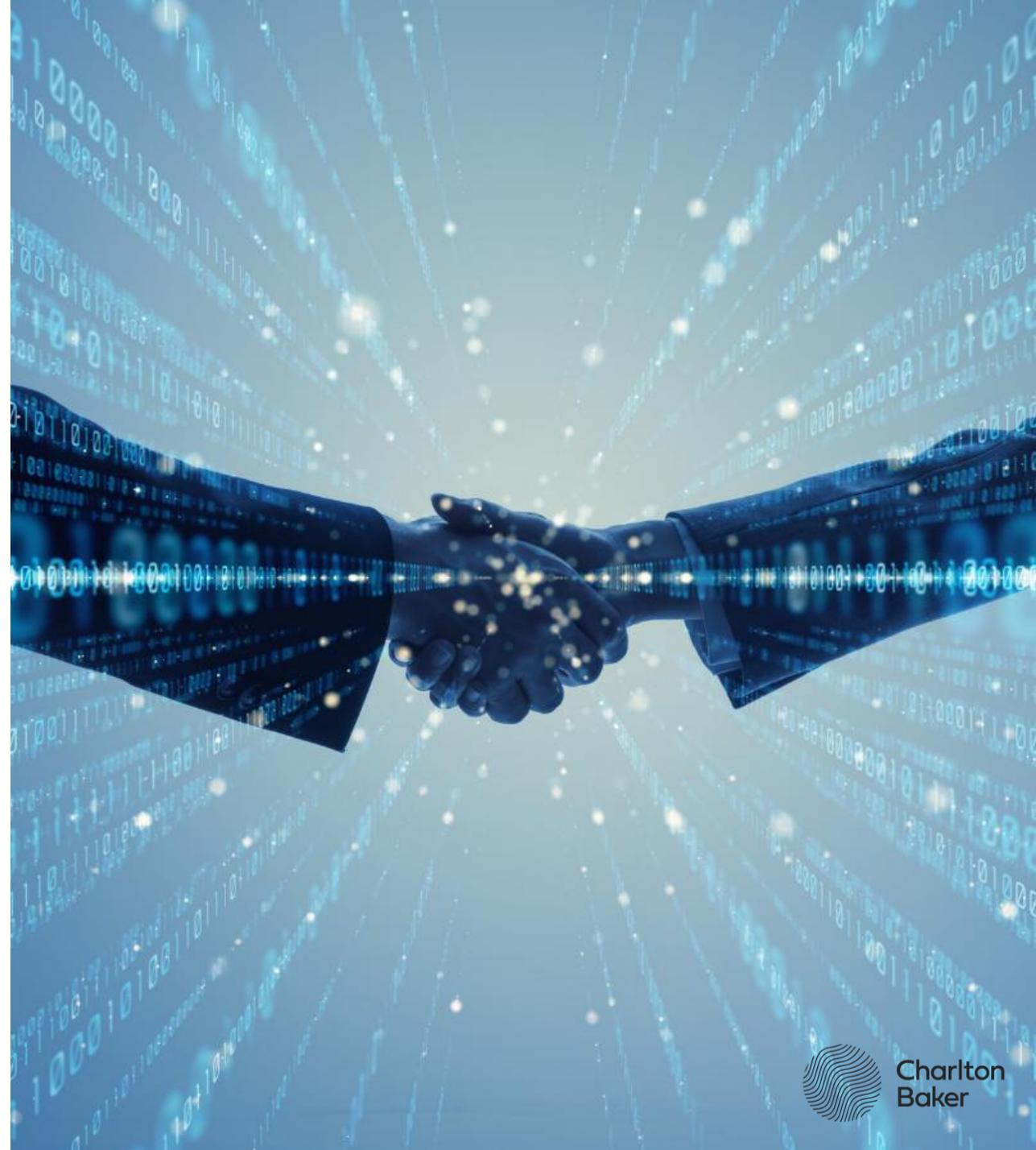
During the engagement, we may from time to time communicate with the company electronically. We will take all necessary procedures to ensure integrity of such information shared with us. However, the electronic transmission of information cannot be guaranteed to be secure, error free or virus free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe for use. We shall not have any liability of whatsoever nature to the company arising from or in connection with electronic transfer of communication and information to the company.

## Retention of Records

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 at the conclusion of the engagement. We shall retain a copy of such documents for a period of Six (6) years. According to The Data Protection act 2018 and the General Data Protection Regulation (GDPR) we will destroy such documents after the retaining period without your consent.

## Regulatory Requirements

We reserve the right to disclose the files to regulatory bodies in the exercise of their powers where necessary and cooperate with authorities. The regulatory bodies include, Institute of Chartered Accountants England and Wales (ICAEW), HM Revenue and Customs (HMRC) and any other authorities.



# Tax

- a) Corporation Tax
- b) Personal Tax – Individuals, Sole Traders and Couples
- c) Partnership Tax
- d) Trust and Estate Tax
- e) Tax Investigation
- f) Specific Tax Considerations

# Corporation Tax

## Your Responsibilities

Even though you are engaging us to help you meet your corporation tax obligations, the directors on behalf of the company are legally responsible for:

- Ensuring that the company tax return (including XBRL tags and iXBRL file) is correct and complete
- Filing any returns by the due date
- Paying tax on time.

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

The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that returns we have prepared for the company are correct and complete before approving them.

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

- That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions
- To provide full information necessary for dealing with the 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
- To authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with the company's affairs;
- To provide us within three months of the company's year-end with information in sufficient time for the company's tax return to be completed and submitted by the due date following the end of the tax year
- To provide information on matters affecting the company's tax liability for the accounting period in respect of which instalments are due at least four weeks before the due date of each instalment; this information should include details of trading profits and other taxable activities up to the date the information is provided, together with estimates to the end of the accounting period
- To provide us with information on advances or loans made to directors, shareholders or their associates during an accounting period and any repayments made or write-offs authorised within three months of the end of the relevant accounting period.

You will keep us informed of material changes in circumstances that could affect the tax liabilities of the company. If the directors are unsure whether the change is material, please tell us so that we can assess its significance.

You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC, in sufficient time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us we have been appointed as your tax agent, it is essential that you let us have copies of any correspondence received, because HMRC are not obliged to send us copies of all communications issued to you.

# Corporation Tax

## Our Responsibilities

### Recurring compliance work

We will prepare the company tax return, corporation tax computation and supporting schedules from the accounts and other information and explanations provided to us on your behalf.

After obtaining your approval and signature, we will submit it to HM Revenue & Customs (HMRC).

For the purpose of the delivery of the company's tax return, we will use commercial software to apply XBRL tags to items in the accounts as we consider appropriate for the purposes of submission of the accounts in iXBRL via the Government Gateway for tax purposes.

We will, to the extent we consider necessary, manually amend or apply tags if the software has not applied automatic tagging or if we consider any automatic tagging to have been inappropriate. Should you request us to do so, we will provide you with detailed information about the tagging applied for your approval.

We will tell you how much tax the company should pay and when. Where appropriate, we will initiate repayment claims when tax has been overpaid. We will advise on the interest and penalty implications if corporation tax is paid late.

We will inform you if instalment payments of corporation tax are due for an accounting period, and the dates they are payable. By the date agreed, we will calculate the quarterly instalments which should be made on the basis of information supplied by you.

We will advise you on possible tax-return-related claims and elections arising from information supplied by you. If instructed by you, we will make such claims and elections in the form and manner required by HMRC.

The work carried out within this engagement will be in respect of the company's tax affairs. Any work to be carried out for the directors on a personal basis will be set out in a separate letter of engagement.

### Excluded, ad hoc and advisory work

The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. 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:

- Advising you when corporation tax is due on loans by the company to directors or shareholders or their associates, and calculating the payments due or the amount repayable when the loans are repaid
- Advising you on, and preparing analyses of, expenditure and detailed capital allowance claims for renovation of buildings
- Dealing with any enquiry opened into the company's tax return by HMRC
- Preparing any amended returns which may be required and corresponding with HMRC as necessary.

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

# Corporation Tax

## Groups and Consortia

If a parent company is required to prepare both individual and group accounts and it is required to file both of these as part of its online company tax return, you accept full responsibility for the existence, accuracy, consistency and completeness of XBRL tagging within the accounts and to file the individual accounts as an iXBRL document with the relevant XBRL tags embedded.

**In relation to groups of which your company is a member, and in respect of which you have instructed us to act, we will provide the following additional services:**

- We will advise on the tax treatment of intra-group payments of dividends, charges and interest
- We will advise on the eligibility of companies to make elections in relation to such payments
- We will prepare and submit to HMRC elections relating to intra-group payments of dividends, charges and interest
- We will deal with all communications relating to elections addressed to us by HMRC
- We will assist in the annual Group Payment Arrangement calculations and submissions to HMRC.

If instructed, we will advise on the tax treatment of intra-group payments of dividends, charges and interest.

We will advise on the eligibility of companies to make elections in relation to such payments.

We will prepare and submit to HMRC elections relating to intra-group payments of dividends, charges and interest.

We will deal with all communications relating to elections addressed to us by HMRC.

**If instructed, in respect of claims for group and consortium relief:**

- We will advise as required on claims for group and consortium relief and the interaction with other reliefs
- We will prepare and submit to HMRC appropriate claims
- We will adjust corporation tax computations and returns to reflect the surrender and receipt of group and consortium reliefs
- We will advise on arrangements for the payment of tax and the surrender and set-off of tax refunds within the group
- We will advise on claiming eligible unrelieved foreign tax (EUFT) or the surrender of any amount of EUFT.

# Personal Tax (Individuals, Sole Traders & Couples)

## Your Responsibilities

Team CB is here to help. However, you are legally responsible for:

- Ensuring that your self-assessment tax returns are correct and complete
- Filing any returns by the due date
- Paying tax on time.

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

Taxpayers who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns that we have prepared for you are correct and complete before you approve and sign them.

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

- That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions
- To provide all information necessary for dealing with your affairs; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents
- To authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with your affairs
- To provide us with information in sufficient time for your tax return to be completed and submitted following the end of the tax year; to do this, we need to receive all relevant information within three months of the end of the tax-year.

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, please tell us so that we can assess its significance.

You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC, in sufficient time to enable us to deal with them as may be necessary within the statutory time limits.

Although HMRC have the authority to communicate with us when we have been appointed as your tax agent, it is still essential that you let us have copies of any correspondence received, because HMRC are not obliged to send us copies of all communications issued to you.

## Rental Assessments

If we are required to prepare rental property assessments as part of your self-assessment tax return, and you have further asked us to prepare a set of property portfolio accounts, please refer to the following section of the Client Service Brochure; Accounts b) Sole traders, partnerships, landlords, clubs.

## You And Your Spouse/Civil Partner

Although we will have engaged each of you separately, we will advise you on the basis that you are a family unit. You both agree that, in all matters relating to your tax and financial affairs, we may deal directly with either of you and we may discuss with either of you the tax liabilities and/or financial affairs of the other. If you wish to make any change to these arrangements at any time, please let us know.

In order for us to act for you as a couple in respect of a joint claim, you undertake that all instructions, information or explanations that either of you gives us will be on behalf of both of you, unless you specifically tell us otherwise. Similarly, if one of you signs a document, it will be on behalf of you both unless you instruct us to the contrary. If a conflict of interest should arise between you in relation to any matter to do with your joint claim or entitlement, we reserve the right to cease acting for both of you, or to advise one or other of you to obtain independent advice.

# Personal Tax (Individuals, Sole Traders & Couples)

## Our Responsibilities

### Recurring compliance work

We will prepare your self-assessment tax returns together with any supplementary pages required from the information and explanations that you provide to us. After obtaining your approval and signature, we will submit your returns to HM Revenue & Customs (HMRC).

We will calculate your income tax, national insurance contributions (NIC) and any capital gains tax liabilities and tell you how much you should pay and when. We will advise on the interest and penalty implications if tax or NIC is paid late. We will also check HMRC's calculation of your tax and NIC liabilities and initiate repayment claims if tax or NIC have been overpaid.

We will advise you on possible tax-return-related claims and elections arising from information supplied by you, other than as regards tax credits and universal credit (see below). If instructed by you, we will make such claims and elections in the form and manner required by HMRC.

We will review PAYE notices of coding provided to us and advise accordingly.

### Excluded, ad hoc and advisory work

The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. 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, or a consultation session. 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:

- Advising on ad hoc transactions (for example the sale of assets)
- Advising on preparing accounts on the cash basis and helping you to make the requisite election
- Dealing with any enquiry opened into your tax return by HMRC
- Preparing any amended returns which may be required and corresponding with HMRC as necessary
- Advising on the rules relating to and assisting with registration for VAT or equivalent non-UK taxes
- Advising on tax credits and universal credit; these are, in effect, social security benefits, and your entitlement or otherwise will depend not only on your own circumstances but also on those of your household; we would require all relevant information to advise in this area
- Crypto Tax consultation session.

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

# Partnership Tax

## Your Responsibilities

Team CB is here to help. However, the partners are legally responsible for:

- Ensuring that the partnership self-assessment tax returns are correct and complete
- Filing any returns by the due date
- Paying tax on time.

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

Taxpayers who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns and partnership statements we have prepared for the partnership are correct and complete before approving and signing them.

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

- That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions
- To provide all information necessary for dealing with the partnership affairs; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents
- To authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with the partnership affairs
- To provide us with information in sufficient time for the partnership tax returns to be completed and submitted; to do this, we need to receive all relevant information within three months of the company's year-end
- You will keep us informed of material changes in circumstances that could affect the tax liabilities of the partners including, by way of example, changes in the partners in the partnership. If you are unsure whether the change is material, please tell us so that we can assess its significance.

You will forward to us letters and other communications received from HMRC, in sufficient time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when we have been appointed as your tax agent, it is essential that you let us have copies of any correspondence received, because HMRC are not obliged to send us copies of all communications issued to you.



# Partnership Tax

## Our Responsibilities

### Recurring compliance work

We will prepare the partnership self-assessment tax returns and the annual partnership statements, together with any supplementary pages required, from the information and explanations that the partnership provides to us. After obtaining your approval and signature, we will submit these to HM Revenue & Customs (HMRC).

We will prepare the income and capital gains computations based on the partnership's business accounts for inclusion in the partnership tax return.

If instructed by you, we will advise you as partners on possible partnership tax-return-related claims and elections arising from information supplied by the partnership in the form and manner required by HMRC.

If instructed, we will provide each partner or their agent with details of the partner's allocations from the return based on the partnership statement to enable partners to fill in their self-assessment tax returns.

The work carried out within this engagement will be in respect of the partnership's tax affairs. Any work to be carried out for the individual partners (for example submitting their own tax returns or making related claims and elections) will be set out in a separate letter of engagement.

### Excluded, ad hoc and advisory work

The scope of our services provided to you will be only as set out above, and all other services which we may offer are excluded. 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:

- Advising on preparing accounts on the cash basis and helping you to make the requisite election
- Dealing with any enquiry opened into the partnership tax return by HMRC; and
- Preparing any amended returns which may be required and corresponding with HMRC as necessary.

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

# Trusts & Estates Tax

## Your Responsibilities

**Team CB is here to help. However, as trustees or executors you have legal responsibility for:**

- Ensuring that the trust's or the estate's tax returns are correct and complete
- Filing any returns by the due date
- Paying tax on time.

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

Trustees or Executors who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns that we have prepared are correct and complete before approving and signing them.

### **To enable us to carry out our work, you agree:**

- That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions
- To provide all information necessary for dealing with the trust's or the estate's taxation affairs; we will rely on the information being true, correct and complete and will not audit the information
- To advise us of distributions made within 30 days of such an event
- To authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with the trust's or the estate's taxation affairs
- To provide us with information in sufficient time for the trust's or the estate's self assessment tax returns to be completed and submitted following the end of the tax year; to do this, we need to receive all relevant information within three months of the end of the tax year
- To provide us with information in sufficient time for the trust's or the estate's inheritance tax returns to be completed and submitted by the due dates.

You will keep us informed of material changes in circumstances that could affect the income, capital gains and inheritance tax liabilities of the trust or estate. If you are unsure whether the change is material, please tell us so that we can assess its significance.

You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC by you in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when we have been appointed as your tax agent, it is still essential that you let us have copies of any correspondence received, because HMRC are not obliged to send us copies of all communications issued to you. You are reminded that, under the Trustee Act 2000, it is your responsibility to regularly review the trust investments and to have a clear investment policy.

# Trusts & Estates Tax

## Our Responsibilities

Recurring compliance work

We will prepare:

- The trust's or the estate's self-assessment tax returns, together with any supplementary pages required
- All inheritance tax returns required from the information and explanations that you provide to us. After obtaining approval and signature from you, we will submit your returns to HM Revenue & Customs (HMRC).

We will maintain the accounting records of the trust or estate on your behalf from the information and explanations provided to us by you, or by others on your behalf, for the purposes of preparing the annual accounts and tax returns.

We will prepare the income and expenditure and capital accounts from the accounting records and other information and explanations provided by you, or by others on your behalf, and will obtain your approval of the accounts.

We will calculate the income tax and capital gains tax and inheritance tax liabilities of the trust or estate and will advise you how much you should pay and when. We will advise you on the interest and penalty implications if tax is paid late. We will also check HMRC's calculations of the tax liabilities and initiate repayment claims if tax has been overpaid.

We will advise you on possible tax-return-related claims and elections arising from information supplied by you. If instructed by you, we will make such claims and elections in the form and manner required by HMRC.

If the terms of the trust require income or capital payments to be made to the beneficiaries, we will assist you in preparing all necessary forms relating to such payment.

## Excluded, ad hoc and advisory work

The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. 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. If appropriate we will agree with you a separate fee for any such work that you instruct us to undertake.

## Examples of such work that you may wish to instruct us to undertake include:

- Advising you of the occasions of charge to inheritance tax, the basis of the charge and when the tax liability is due for payment
- Advising on ad hoc transactions (for example the sale of assets held by the trust or estate)
- Dealing with any enquiry opened into the trust's or the estate's tax returns by HMRC
- Dealing with any enquiries and/or assessments raised by HMRC in relation to inheritance tax.

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

# Tax Investigation

You have signed up for our tax investigation service and it is agreed that we should carry out the following services as your agent on the basis that you will make full disclosure to us of all relevant information.

**The types of HMRC enquiry or dispute included within this service are:**

## **1. Business Self-Assessment Full Enquiry**

Notice issued under S9A or S12AC of the Taxes Management Act 1970, or Paragraph 24(1) Schedule 18 Finance Act together with a request to examine all of your books and records

## **2. Personal Self-Assessment Full Enquiry**

Notice issued under S9A of the Taxes Management Act 1970 into your non-business tax affairs along with a request to examine your prime documents

## **3. Income Tax Self-Assessment Aspect Enquiry**

Notice issued under S9A or S12AC of the Taxes Management Act 1970, where restricted to one or more specific aspects of your tax return

## **4. Corporation Tax Self-Assessment Aspect Enquiry**

Notice issued under paragraph 24(1) Schedule 18 Finance Act 1998, where restricted to one or more specific aspects of your tax return

## **5. Employer Compliance Dispute**

A dispute in relation to your PAYE, NIC or CIS affairs following an Employer Compliance Visit by HMRC, or following a response to submitted P11Ds or P9Ds

## **6. IR35 Dispute**

Notice issued under Paragraph 24(1) Schedule 18 Finance Act 1998, following an HMRC Employer Compliance Visit, or the issue of a 'Check of Employer Records Letter', to challenge the status of your contract for services through a limited company

## **7. VAT Dispute**

Notice of a VAT default surcharge, misdeclaration or late registration penalty, or following a VAT control visit where a written decision, assessment or statement of alleged arrears is received from HMRC.

## **8. Schedule 36 Pre Dispute**

A written request from HMRC under Schedule 36 Finance Act 2008 to inspect business records, assets or premises, including:

- Inspections undertaken to ensure compliance with National Minimum Wages Act
- And Inspections undertaken in relation to the operation of the Construction Industry Scheme.

For an individual, this includes the request for production of documentation to check their income tax position.

## **Disclaimer**

This service relates to the above enquiries or disputes only where the work was completed by Charlton Baker Limited, and where the Tax Investigation service is included in your fixed fee for the respective period. Any enquiries into tax returns not completed by Charlton Baker Limited, or during a period without the Tax Investigation service, will subject to a separate engagement and fee arrangement.

# Tax Investigation

## Your Responsibilities

### To enable us to carry out our work in relation to the investigation you agree:

- That all information to be given to HMRC in the course of the investigation is to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions
- To provide full information necessary for dealing with the investigation
- To authorise us to communicate with such third parties as may be appropriate and that we consider necessary to deal with the investigation
- To provide information promptly to enable us to deal with the investigation expeditiously and to act in your interests in order to qualify for such reduction as may be appropriate for the cause of the error and the level of disclosure if there are tax liabilities or penalties for earlier
- To forward to us on receipt copies of all HMRC correspondence, statements of account PAYE coding notices, notices of assessment, letters and other communications received from HMRC as may be relevant to the investigation to enable us to deal with them as may be necessary immediately upon receipt. Although HMRC have 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 all communications issued to you
- To keep us informed about significant changes in your circumstances if they are likely to affect the outcome of the investigation. If you are unsure whether the change is material or not please let us know so that we can assess its significance or otherwise
- To notify us immediately of any insurance cover you have for enquiries into your tax returns by HMRC (see below).

We will provide our 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 your or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or the tax authorities.

Our services as set out above are subject to our standard terms and conditions. These are important provisions which you should read and consider carefully.

## Our Responsibilities

We will act on your behalf in the matter of the current investigation by HMRC. Where required we will prepare a report on your behalf giving full disclosure of your tax affairs and once agreed by you submit it to HMRC.

We will negotiate with HMRC on any question of taxation, interest and penalties. The outcome of some income tax enquiries may be related to or impact on claims to tax credits. We will not address the tax credits issues unless we have explicitly agreed to do so.

We must make it clear that if at any time we consider that:

- You are not cooperating with us and answering our enquiries fully and; or
- You are unwilling to make full disclosure or you refuse to do so. then we will immediately cease to act and inform HMRC of that fact (albeit not the reasons for ceasing to act). In that event any fees you have already paid will not be reimbursed and you will remain liable for any unbilled costs.

Where specialist advice is required in connection with the investigation, we may need to seek this from appropriate specialists.

## Invoicing and Payment Terms

This service will cover our time up to a maximum of 15 hours per claim. We will invoice you for any time in excess of this amount upon completion of the enquiry at our prevailing charge out rates, plus VAT. The payment terms will be our standard terms of 30 days.

# Specific Tax Considerations

Team CB are here to help. However, please be aware of the following specific tax considerations, which remain your responsibility:

## Monitoring Turnover for VAT

You are responsible for monitoring the monthly turnover to establish whether the company is liable to register for VAT, if it is not already registered. If you do not understand what you need to do, please ask us. If the company turnover exceeds the VAT registration threshold, and you wish us to assist in notifying HMRC of the company's obligation to be VAT registered, we will be pleased to assist in the VAT registration process. You should notify us of your instructions to act in relation to the company's VAT registration in good time to enable a VAT registration form to be submitted within the time limit of one month following the month in which the current VAT registration turnover threshold was exceeded. We will not be responsible if we are not notified in time and a late registration penalty is incurred.

## MOSS for VAT

If you provide digital services to consumers in the EU, you are responsible for either registering for VAT in that member state or for registering for VAT Mini One Stop Shop (MOSS) in the UK.

## Payroll, Employment Taxes and Associated Matters

You are responsible for employment taxes, pensions (including auto-enrolment) and the assessment of the tax status of your workers. If you do not understand what you need to consider or what action you need to take, please ask us. We will not be in a position to assist you in complying with your responsibilities if we are not engaged to provide such a service. We are not responsible for any penalty that is incurred.



# Bookkeeping & VAT

- a) Bookkeeping
- b) VAT Returns – Preparation
- c) VAT Returns – Check and Send

# Bookkeeping

## Your Responsibility for the Provision of Information

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.

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.

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.

## Preparation and Maintenance of Accounting Records

### Your responsibilities

You have agreed that you will (where appropriate):

- Prepare details of the annual stocktaking, suitably priced and extended in a form which will enable us to verify the prices readily by reference to suppliers' invoices or provide us with a copy of the valuation report produced by your independent stock takers
- Prepare details of work-in-progress at the accounting date and make available to us the documents and other information from which the statement is compiled.

### Our responsibilities

We have agreed to carry out the following accounting and other services on your behalf:

- Write up the accounting records of the business
- Complete the postings to the nominal ledger
- Keep the records of receipts and payments reconcile the balances monthly with the bank statements
- Post and balance the purchases and sales ledgers
- Extract a detailed list of ledger balances

### Provision of Software

We may enter into agreements with third party software providers on your behalf to assist us with our responsibilities. Such licences:

- Will form part of your agreed annual costs with us
- Shall be immediately transferrable to you upon your request
- Shall be immediately transferred to you if you disengage with us

We will provide you with appropriate level access to allow you to edit or view the accounting information but we will not be held responsible for any changes or entries you make that result in errors or inaccuracies in the accounting data.

We are not responsible for the data held and security measures of the third party software providers, however we only work with leading providers who are fully compliant with all necessary regulations such as GDPR and cyber security.

# VAT Returns Preparation

## Your Responsibilities

You are legally responsible for:

- Ensuring that your returns are correct and complete
- Filing any returns by the due date
- Making payment of tax on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check the returns we have prepared for you are complete before they approve and signs them.

### To enable us to carry out of our work you agree:

- a)** That all returns are to be made on the basis of full disclosure
- b)** That you are responsible for ensuring that the information provided is, to the best of your knowledge accurate and complete. The VAT returns are prepared solely on the basis of the information provided by you and we accept no responsibility for any VAT liabilities arising due to inaccuracies or omissions in the information you provide which may lead to a misdeclaration on which penalties and interest may arise
- c)** That we can approach such third parties as may be appropriate for information we consider necessary to deal with the VAT returns
- d)** To provide us with all the records relevant to the preparation of your VAT returns as soon as possible after the return period ends. We would ordinarily need a minimum of 20 days before submission to complete your work. If the records are provided later or are incomplete or unclear thereby delaying the preparation and submission of the VAT return, we accept no responsibility for any default surcharge penalty that may arise. Where feasible, we may agree to complete your return within a shorter period but may charge any additional fee of up to 25% of the agreed fees for so doing.

You will keep us informed of material changes in circumstances that could affect your VAT obligations. If you are unsure whether the change is material or not, please let us know so that we can assess the significance.

You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when we have been appointed as your tax agent, it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you.

You are responsible for bringing to our attention any errors, omissions or inaccuracies in your VAT returns which you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

If you are involved with any other business which is not registered for VAT, you are responsible for monitoring your monthly turnover to establish whether you are liable to register for VAT. If you do not understand what you need to do, please ask us. If you exceed the VAT registration threshold and wish us to assist you in notifying HMRC of your liability to be registered for VAT, you must give us clear instructions to assist you in the VAT registration process. You should notify us of your instructions in good time to enable the VAT registration application form to be submitted within the statutory time limit of one month following the month in which you exceeded the VAT registration threshold in force at that time. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.

If EC Sales Lists need to be completed e.g. when services are provided to businesses based in another Member State, you are responsible for obtaining all of your customers' VAT registration numbers in other member states and to check with HMRC any that you are not completely satisfied with.

# VAT Returns Preparation

## **Making Tax Digital (MTD)**

Making Tax Digital is a UK Government initiative that requires certain businesses and individuals to keep digital records and submit tax information to HM Revenue & Customs (HMRC) using compatible software.

Where you are within the scope of Making Tax Digital, you remain legally responsible for ensuring that your records are either maintained in a digital format, or provided to us in a suitable format for us to convert into a digital format on your behalf, so as to comply with HMRC requirements.

You are also responsible for ensuring that all submissions are accurate, complete, and made by the relevant deadlines.

Where we are engaged to do so, we will assist you in meeting your Making Tax Digital obligations, including the preparation and submission of returns using appropriate software, based on the information and explanations you provide to us.

We do not accept responsibility for any penalties, interest or other charges arising where information is incomplete, inaccurate, provided late, or where you have not met the underlying requirements of the Making Tax Digital regulations.

# VAT Returns Preparation

## Our Responsibilities

### Recurring compliance work

We will prepare your VAT returns on the basis of the information and explanations supplied by you. The first such return to be prepared by us will be the return for the period ended as stated in your letter of engagement.

Based on the information that you provide to us we will tell you how much you should pay and when. If appropriate we will initiate repayments claims where tax has been overpaid. We will advise on the interest and penalty implications if VAT is paid late.

Where appropriate we will calculate the partial exemption annual adjustment. This annual adjustment will be made in the appropriate quarter.

Where appropriate we will calculate the annual Capital Goods Scheme adjustment. The adjustment will be made in the appropriate quarter.

We will forward to you the completed return calculations for you to review, before you approve the VAT return for onward transmission by us to HMRC.

### Ad hoc advisory services

Where you have instructed us to do so, we will also 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 discuss and agree an additional fee for this work when it is commissioned by you.

Where specialist advice is required in certain areas, we may need to seek this from or refer you to appropriate specialists.



# VAT Returns Check & Send

## Your Responsibilities

### You are legally responsible for:

- Ensuring that your returns are correct and complete
- Filing any returns by the due date
- Making payment of tax on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check the returns we have prepared for you are complete before they approve and sign them.

### To enable us to carry out of our work you agree:

- a)** That all returns are to be made on the basis of full disclosure
- b)** That you are responsible for ensuring that the information provided is, to the best of your knowledge accurate and complete. The VAT returns are reviewed solely on the basis of the information provided by you and we accept no responsibility for any VAT liabilities arising due to inaccuracies or omissions in the information you provide which may lead to a misdeclaration on which penalties and interest may arise
- c)** That we can approach such third parties as may be appropriate for information we consider necessary to deal with the VAT returns
- d)** To provide us with all the records relevant to the review of your VAT returns as soon as possible after the return period ends. We would ordinarily need a minimum of 20 days before submission to complete your work. If the records are provided later or are incomplete or unclear thereby delaying the review and submission of the VAT return, we accept no responsibility for any default surcharge penalty that may arise. Where feasible we may agree to complete your return within a shorter period but may charge any additional fee of up to 25% of the agreed fees for so doing.

You will keep us informed of material changes in circumstances that could affect your VAT obligations. If you are unsure whether the change is material or not, please let us know so that we can assess the significance.

You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when we have been appointed as your tax agent, it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you.

You are responsible for bringing to our attention any errors, omissions or inaccuracies in your VAT returns which you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

If you are involved with any other business which is not registered for VAT you are responsible for monitoring your monthly turnover to establish whether you are liable to register for VAT. If you do not understand what you need to do, please ask us. If you exceed the VAT registration threshold, and wish us to assist you in notifying HMRC of your liability to be registered for VAT, you must give us clear instructions to assist you in the VAT registration process. You should notify us of your instructions in good time to enable the VAT registration application form to be submitted within the statutory time limit of one month following the month in which you exceeded the VAT registration threshold in force at that time. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.

If EC Sales Lists need to be completed e.g. when services are provided to businesses based in another Member State, you are responsible for obtaining all of your customers' VAT registration numbers in other member states and to check with HMRC any that you are not completely satisfied with.

# VAT Returns Check & Send

## Our Responsibilities

### Recurring compliance work

We will review your VAT returns on the basis of the information and explanations supplied by you. The first such return to be reviewed by us will be the return for the period ended as stated in your letter of engagement.

Based on the information that you provide to us we will tell you how much you should pay and when. If appropriate we will initiate repayments claims where tax has been overpaid.

We will advise on the interest and penalty implications if VAT is paid late.

Where appropriate we will calculate the partial exemption annual adjustment. This annual adjustment will be made in the appropriate quarter.

Where appropriate we will calculate the annual Capital Goods Scheme adjustment. The adjustment will be made in the appropriate quarter.

We will forward to you the completed return calculations for you to review, before you approve the VAT return for onward transmission by us to HMRC.

### Ad hoc advisory services

Where you have instructed us to do so, we will also 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 discuss and agree an additional fee for this work when it is commissioned by you.

Where specialist advice is required in certain areas, we may need to seek this from or refer you to appropriate specialists.



# Payroll & CIS

- a) Preparation and PAYE
- b) Benefits-in-kind Returns P11D
- c) Subcontractors CIS

# Payroll Preparation & PAYE

## Your Responsibilities

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

- Ensuring that the data in your payroll submissions is correct and complete
- Complying with auto-enrolment obligations
- Making any submissions by the due date
- Paying tax and NIC on time.

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

Employers cannot delegate these legal responsibilities to others. You agree to check that submissions we have prepared for you are correct and complete before approving them. 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.

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

- That all information required to be delivered online is submitted on the basis of full disclosure
- To provide full information necessary for dealing with your payroll affairs and workplace pension scheme contributions and refunds; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents
- 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)
- To advise us in writing of changes of payroll pay dates
- To notify us at least four 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)
- 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
- To notify us within four working days (or such other period as agreed with us) of your receiving or becoming aware of any opt-out notices or any other requests to cease membership of a scheme, so that we can cease to calculate any relevant pension contributions and process any required refunds
- 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
- To authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with your payroll
- To approve:
  - In-year and final FPS by at least four working days before payroll pay dates so that they can be submitted on or before payday, or as agreed with us
  - In-year and final EPS by at least four days before the 19th of the month following the tax month
- Earlier year updates (EYU) within four days of notifying you of the data therein.

# Payroll Preparation & PAYE

If we do not hear from you by the above deadlines, subject to any other agreement between us, we will take your silence as your approval for us to submit the return.

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.

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.

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).

## Auto Enrolment

In respect of the 'Automatic Enrolment' of pensions you will need to seek the advice of a person who is regulated to provide pension's advice. We will assist you in processing your payroll based on the pension details that you provide if you have asked us to provide this service.

## Our Responsibilities

### Recurring compliance work

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

- Calculating the pay as you earn (PAYE) income tax deductions, including at the Scottish rate of income tax, if applicable
- Calculating the employees' national insurance contributions (NIC) deductions
- Calculating the employer's NIC liabilities
- Calculating statutory payments, for example, statutory sick pay and/or statutory maternity pay
- 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
- Processing any employee and employer pension contribution refunds through the payroll
- Calculating other statutory and non-statutory deductions including apprenticeship levy
- Submitting information online to HMRC under Real Time Information (RTI) for PAYE.

# Payroll Preparation & PAYE

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:

- Payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals
- The data included within each Full Payment Submission (FPS) for taxable pay and payrolled benefits-in-kind and expenses for each employee
- A payslip for each employee
- A form P45 for each leaver
- A report showing your PAYE and NIC liability, student loan repayments , apprenticeship levy and due date for payment
- A workplace pension contributions report showing
  - i) Any 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
  - ii) Any employee pension contribution refunds payable to any employee
  - iii) Any employer pension contribution refunds due to you for any employee who has ceased membership of the scheme(s).

We will submit FPS online to HMRC after the data to be included therein has been approved/ on the basis of the data provided by you. FPS must normally reach HMRC on or before the contractual payday, ie, 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.

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, apprenticeship levy allowance allocated to that PAYE scheme and apprenticeship levy payable to date and confirmation that no payments were, or will be, made to employees.

We will submit EPS online to HMRC after the data to be included therein has been approved 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.

## **At the end of the tax year we will:**

- Prepare the final FPS (or EPS) and submit this to HMRC after the data to be included therein has been approved 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
- 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.

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.

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

# Payroll Preparation & PAYE

## Excluded, ad hoc and advisory work

The scope of our services provided to you will be only as set out above, and all other services which we may offer are excluded. 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:

- Work in connection with workplace pension schemes other than that detailed above
- 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
- 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)
- Dealing with any compliance check or enquiry by HMRC into the payroll data submitted
- Preparing and submitting any amended returns or data for previous tax years;
- Assisting you in the operation of the Construction Industry Scheme (CIS) for subcontractors
- Conducting PAYE, and benefits and expenses health checks
- If specialist advice is required, we may need to seek this from, or refer you to, appropriate specialists.



# Benefits-in-kind P11Ds

## Your Responsibilities

Even though you are engaging us to help you meet your end-of-year benefits-in-kind return obligations, you are legally responsible for:

- Ensuring that your declaration on form P11D(b) is true to the best of your knowledge and belief and therefore that [the entries on the related forms P11D are correct and complete
- Filing any returns by the due date after the end of the tax year
- Making payment of Class 1A NIC on time.

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

The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that the forms that we have prepared for you are correct and complete before approving and signing them.

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

- That all returns are to be made on the basis of full disclosure
- To provide full information necessary for dealing with your benefits-in-kind; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents
- To notify us within thirty days after the end of the tax year of all transactions or events which may need to be reflected in the forms P11D for the period, including details of all employees during the year and details of their remuneration packages
- To authorise us to approach such third parties as may be appropriate that we consider necessary to deal with completing the benefits-in-kind returns
- To approve the returns by 4 July so they can be submitted on or before the filing deadline of 6 July after the end of the tax year.

If we do not hear from you by the above deadline, subject to any other agreement between us, we will take your silence as your approval for us to submit the returns.

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.



# Benefits-in-kind P11Ds

## Our Responsibilities

### Recurring compliance work

We will prepare forms P11D as may be required for each employee including directors based on the accounts, information and explanations provided to us on your behalf.

We will prepare form P11D(b) to include the Class 1A NIC on benefits-in-kind and expenses, both on forms P11D and included in payroll.

We will submit the forms P11D for any benefits/employees for whom benefits are provided but not payrolled with the form P11D(b) after the form P11D(b) has been approved by you.

We will prepare and send to you the P11D information for you to forward to your employees and directors by the statutory due date of 6 July following the end of the tax year.

We will calculate your Class 1A NIC liability on the benefits and expenses (both returned in forms P11D and included in payroll) that you are obliged to pay HMRC by the due date, and send payment instructions to you.

### Excluded, ad hoc and advisory work

The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. 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:

- Assisting you with calculating the values for tax and NIC of benefits-in-kind provided to employees, including when provided by way of salary sacrifice and other optional remuneration arrangements
- Dealing with any compliance check or enquiry by HMRC into the benefits-in-kind returns submitted
- Preparing any amended returns which may be required and corresponding with HMRC as necessary
- Advising on PAYE settlement agreements and/or approved expenses scale rates
- Conducting PAYE and benefits and expenses health checks.

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

# Subcontractors CIS

## Our Responsibilities

### Recurring compliance work

We will prepare your monthly CIS returns on the basis of the information and explanations supplied by you.

Based on the information that you provide to us we will tell you how much you should pay and when.

The Returns will be submitted to HM Revenue & Customs by us on your behalf.

### Ad hoc advisory services

Where you have instructed us to do so, we will also 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 discuss and agree an additional fee for this work when it is commissioned by you.

Where specialist advice is required in certain areas, we may need to seek this from or refer you to appropriate specialists.



# Advisory

- a) Management Accounts and Reporting
- b) Business Management
- c) Business Consultancy
- d) Personal Planning

# Management Accounts & Reporting

## Your Responsibilities

### You will be responsible for:

- Maintaining records of all receipts and payments of cash
- Reconciling cash book balances monthly with the bank statements
- Posting and balancing the purchase and sales ledgers
- Extracting a detailed list of ledger balances; unless
- You have engaged us to perform bookkeeping services on your behalf, in which case please refer to the separate schedule of services.

Where applicable, you will also provide estimates of any stocks or work-in-progress at the end of each period.

### Additionally:

- You understand that we will not be carrying out an audit and accordingly will not verify the assets and liabilities of the business, or expenditure and income
- The accounts will include a report that we have not carried out an audit. This report must remain attached to any accounts shown to any other parties
- We do not undertake to discover any shortcomings in your systems or any irregularities on the part of your employees or others, although we will advise you of any that we encounter in preparing your accounts
- We do not accept responsibility for any decisions made by you on the basis of the management reports.

## Our Responsibilities

We will prepare bespoke monthly management reports for your business from the date as agreed on your letter of engagement.

We will complete the management reports from the records, information and explanations supplied to us and prepare draft reports for your approval.

Where required, we will report on the performance of the business against objects, targets and KPIs as identified with you.

Where requested, we will assist you in preparing budgets and subsequent analysis of budget versus actual results.

We will prepare profit and loss and cash flow forecasts based on the information you provide.

# Business Management

## Your Responsibilities

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.

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.

You agree to authorise us to approach such third parties as may be appropriate for information that we consider necessary to provide the advice.

## Our Responsibilities

We will provide day to day administration and business services in addition to any bookkeeping services provided as defined below.

### **Day to day administration and bookkeeping services can include, but is not limited to:**

- Sales ledger control services, including credit control
- Purchase ledger control services, including supplier payments
- Assisting you with arranging insurance policies
- Connecting you with our valued partners
- Any other office, administration and business services as requested by you from time to time.

Our services may include telephone conversations, attendance at meetings and written advice as and when requested by you.

We will not be responsible for the provision of any tax compliance services, unless you have engaged us for such services. Where additional expertise is required, we may need to seek this from or refer you to another specialist.



# Business Consultancy

## Your Responsibilities

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. 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.

You agree to authorise us to approach such third parties as may be appropriate for information that we consider necessary to provide the advice.

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 the significance.

## Our Responsibilities

Where you have instructed us to do so, we will also provide such other 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 discuss and agree an additional fee for such work when it is commissioned by you.

## Examples of such work include:

- Company purchases, sales or general corporate restructuring
- Employment incentives including share schemes
- Dealing with any HMRC enquiries opened into the Corporation tax returns (whether prepared by us or by previous advisors)
- Preparing any amended returns which may be required and corresponding with HMRC as necessary
- Advising on the rules relating to and assisting with VAT registration
- 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
- Cryptocurrencies, blockchain and token sales
- The sale of your business
- 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
- Financial Director services, where we will act as FD of your business, attend Board Meetings, and assist with matters of a financial and commercial nature in order to provide insight and to help build a strategy to meet your goals.

Our services may include telephone conversations, attendance at meetings and written advice as and when requested by you.

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.

Where additional expertise is required, we may need to seek this from or refer you to another specialist.

# Personal Planning

## Your Responsibilities

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.

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.

You agree to authorise us to approach such third parties as may be appropriate for information that we consider necessary to provide the advice.

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 the significance.

## Our Responsibilities

Where you have instructed us to do so, we will also provide such other 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 discuss and agree an additional fee for such work when it is commissioned by you.

## Examples of such work include:

- Advising on ad hoc transactions (for example the sale of assets)
- Dealing with any HMRC enquiries opened into your personal tax returns (whether prepared by us or by previous advisors)
- Preparing any amended returns which may be required and corresponding with HMRC as necessary
- Advising on tax credits and universal credit; these are, in effect, social security benefits, and your entitlement or otherwise will depend not only on your own circumstances but also on those of your household; we would require all relevant information to advise in this area.

## Inheritance Tax wealth review to include the following:

- Reviewing your overall estate based on the current market value of your assets
- Preparing relevant calculations to determine your current inheritance tax position
- Advice in relation to ad-hoc inheritance tax queries.

Our services may include telephone conversations, attendance at meetings and written advice as and when requested by you.

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. Where additional expertise is required, we may need to seek this from or refer you to another specialist.

Please refer to our separate proposal email/letter for a detailed scope of the work we will undertake.

# Legal Services

- a) Probate
- b) Last Will and Testament
- c) Lasting Powers of Attorney

# Probate

## Your Responsibilities

You will provide us with all papers, information and explanations relevant to the purpose and compilation of the probate/administration application and the administration of the estate and you will disclose to us all relevant information in full.

You will provide us with a brief family tree and up to date names and contact details for all beneficiaries.

You are responsible for ensuring that, to the best of your knowledge and belief, the financial information you provide us with is accurate and complete.

You are responsible for informing us of anything that might indicate that there is any contentious probate action to be taken. If a matter becomes contentious you may need to employ a solicitor to deal with the contentious matter. We will not be able to work with the estate until the contention has been cleared.

You will provide us with a copy of the deceased's last Will and any codicil or confirm that as far as you are aware the deceased did not leave a Will.

You agree that you will:

- a) Register the death and obtain an agreed number of copies of the death certificate
- b) Deal with the funeral arrangements
- c) Send notifications of death to family members and friends.

## Our Responsibilities

### We have agreed to carry out the following services on your behalf:

- Send notifications of death to financial institutions, Government organisations, utilities and household contacts as required
- Ascertain whether there is any entitlement to bereavement allowances or benefits

- Finalise the income tax and capital gains tax position of the deceased at the date of death
- Review the Will, codicils and legacies to ensure that they are valid and prepare affidavits where necessary
- Ascertain who the beneficiaries are
- Identify the composition of the estate and ascertain whether a grant is needed
- Value the estate
- Prepare any inheritance tax return
- Prepare the papers for application for a grant of probate/grant of administration
- Place statutory notices of death in the London Gazette and the relevant local papers
- Ensure the appropriate oaths are prepared and taken
- Obtain the grant
- Take control of and gather in the assets of the estate
- Pay the debts of the estate including the tax liabilities
- Finalise the estate tax
- Pay legacies and transfer the balance of the residuary beneficiaries
- Prepare the estate accounts.

Due to the nature of the work, and dependent on the complexity of the estate and the requirements of the Will, it may be necessary to take up to two years to complete and in more complicated circumstances, longer. In all cases you will be informed of what is going on and we will ensure you are updated on progress.

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 your circumstances.

We will accept no liability for losses arising from changes in the law or the interpretation thereof that occur after the date on which the advice is given.

# Last Will & Testament

## Your Responsibilities

- To provide us with a copy of any current will and codicils in place
- To answer all of our questions in relation to your will with honesty, completeness and accuracy
- To provide any supporting information requested.
- To review the draft will and advise if there are any errors or omissions
- If the attestation service that supervises the signing and witnessing of your documents at your home or at our premises is not taken up, in order for your documents to be valid, you agree to the signing of your documents in accordance to the law of England and Wales. All documents will be supplied to you with full written instructions of how these should be completed.

## Our Responsibilities

We have agreed to carry out the following services on your behalf:

- Discuss your situation and your requirements and to obtain as much information as possible to enable us to draft your documents
- Prepare draft documents for you
- Arrange a further meeting to return your documents, to explain them to you so that you can be sure that they meet your requirements and to supervise the signing of them (unless you have stated you do wish for us to supervise the signing)
- We will maintain the strictest confidentiality and not pass on your details to any other organisation without your express permission unless legally required to do so and shall comply with all legislation in force relating to data protection
- We will offer a chargeable attestation service that supervises the signing and witnessing of your documents at your home if you are unable to attend our premises. We will not take responsibility for ensuring validity of your documents where the attestation service has not been taken up and the execution supervised by an agent of the firm. The signing of your documents must be carried out according to the law of England and Wales in order for your documents to be valid. All documents will be supplied to you with full written instructions of how these should be completed.

- The validity, accuracy and suitability of any documents that we provide will partly depend upon the honesty, completeness and accuracy of your answers to our questions. We are not responsible for any consequences arising from inaccurate or incomplete information provided by you
- We will not accept any liability or obligation to advise you of any changes in legislation or taxation which may affect you either directly or indirectly and may necessitate a review of your documents. Any will should be reviewed every three to five years and on occasion of any material change in your circumstances, such as divorce, marriage, the birth of children or the inheritance of a large sum of money etc.

Your completed documents will be available for signing 14 days from the date on which we have all the information that it requires to complete your documents including the signed letter of engagement.

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 changes in the law or your circumstances.

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

# Lasting Powers of Attorney - Health &/or Financial

## Your Responsibilities

### You will be responsible for:

- To answer all of our questions in relation to the Lasting Powers of Attorney
- To provide any supporting information requested
- If you do not instruct us to supervise the signing and witnessing of your documents at your home or at our premises, in order for your documents to be valid, you agree to the signing of your documents in accordance to the law of England and Wales. All documents will be supplied.

## Our Responsibilities

### We have agreed to carry out the following services on your behalf:

- Discuss your situation and your requirements and to obtain as much information as possible to enable us to draft your documents
- Prepare draft documents for you
- Arrange a further meeting to return your documents, to explain them to you so that you can be sure that they meet your requirements and to supervise the signing of them (unless you have stated you do wish for us to supervise the signing)
- We will maintain the strictest confidentiality and not pass on your details to any other organisation without your express permission unless legally required to do so and shall comply with all legislation in force relating to data protection
- We will offer a chargeable attestation service that supervises the signing and witnessing of your documents at your home if you are unable to attend our premises. We will not take responsibility for ensuring validity of your documents where the attestation service has not been taken up and the execution supervised by an agent of the firm. The signing of your documents must be carried out according to the law of England and Wales in order for your documents to be valid.

All documents will be supplied to you with full written instructions of how these should be completed.

The validity, accuracy and suitability of any documents that we provide will partly depend upon the honesty, completeness and accuracy of your answers to our questions. We are not responsible for any consequences arising from inaccurate or incomplete information provided by you.

We will not accept any liability or obligation to advise you of any changes in legislation or taxation which may affect you either directly or indirectly and may necessitate a review of your documents. Any will should be reviewed every three to five years and on occasion of any material change in your circumstances, such as divorce, marriage, the birth of children or the inheritance of a large sum of money etc.

Your completed documents will be available for signing 14 days from the date on which we have all the information that it requires to complete your documents including the signed letter of engagement.

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 changes in the law or your circumstances.

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

# Company Services

- a) Probate
- b) Last Will and Testament
- c) Lasting Powers of Attorney

# Company Secretarial

We have agreed to act as your agent and to provide routine company secretarial assistance to the Company, including:

- Maintenance of the Company's statutory registers, minute book and other statutory records
- Preparation and filing of all statutory filings with Companies House, including the annual confirmation statement
- Preparation and maintenance of minutes of meetings of Directors and Shareholders
- Complete and submit any other forms required by law to be filed at Companies House provided that you keep us fully informed of any relevant changes or events which are required to be notified to Companies House, within one week of the change or event
- Documentation for allotment and transfer of shares, including filing of return and stamping of transfer instruments.

The annual confirmation statement can be submitted to Companies House anytime within the 12 months preceding the deadline. Unless specifically requested to do otherwise, we will review the information held on the company to draft the annual confirmation statement 28 days before the filing deadline.

The draft confirmation statement will be provided to you for review and approval before we make the final submission to Companies House.

Any non-routine services may be provided on an adhoc basis.



# Fees

- a) Annual Fees
- b) Monthly Fees
- c) Bespoke Business Management
- d) Time, Materials and Fixed Fee Projects

# Annual Fees

As a client of Charlton Baker, we will agree your fixed fees with you up-front at the start of each fee year, or at the time you engage the firm, whichever is earlier. Our fee year runs from 1 April to 31 March.

We will issue an invoice for our services upon commencement of the relevant work, in line with the agreed fixed fee.

In the event that you should terminate your engagement with us at any time during the fee year, we reserve the right to invoice you on a time and materials basis in relation to any un-invoiced services actually performed up to the date of disengagement.

We also reserve the right to invoice you for any additional work carried out in relation to finalising compliance matters or in dealing with the handover of your affairs to you or your new advisor.

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.

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.

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.

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.

The timing of issue of our invoices will depend on what services have been provided. 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 your work for you will be added to our invoices where appropriate.

Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.

# Monthly Fees

As a 'monthly' client of Charlton Baker, we will agree your fees with you up-front at the start of each fee year. Our fee year runs from 1 April to 31 March. Your total monthly fee has been set at a level to cover all agreed services over the 12-month fee year period. In the event that you should terminate your engagement with us at any time during the fee year, we reserve the right to invoice you on a time and materials basis in relation to the services actually performed up to the date of disengagement. We also reserve the right to invoice you for any additional work carried out in relation to finalising compliance matters or in dealing with the handover of your affairs to you or your new advisor.

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.

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.

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 timely developments. 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.

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.

The timing of issue of our invoices will depend on what services have been provided. 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 your work for you will be added to our invoices where appropriate. Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.

# Bespoke Business Management

As a bespoke business management client of Charlton Baker, the fee for our services shall be an amount equal to five per cent (5%) of your gross compensation in respect of your 'trading activities' paid to you on your behalf while we represent you.

'Gross compensation' means all income of any kind derived from any of your activities (whether entered into prior to our representation of you), without the deduction of any cost or expense incurred by you.

The term 'activities' shall include, without limitation, your activities in any capacity whatsoever in the business. You understand that our fee arrangement is not set by law but is subject to negotiation between you and us.

Our fee will apply to monies earned by you or by any corporate or other entity through which you may operate, except where such invoicing will result in duplicate fees on the same income.

We will review the compensation you have received at the end of each month, and raise our invoice accordingly. 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 your work for you will be added to our invoices where appropriate. Your payment of such out of pocket expenses will not reduce the gross compensation which is subject to the percentage fee arrangement and will not otherwise reduce the amount owed to us as accountants' fees.

In the event that you should terminate your engagement with us at any time during the fee year, we reserve the right to invoice you on a time and materials basis in relation to any un-invoiced services actually performed up to the date of disengagement. We also reserve the right to invoice you for any additional work carried out in relation to finalising compliance matters or in dealing with the handover of your affairs to you or your new advisor.

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.

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. 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.

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.

The timing of issue of our invoices will depend on what services have been provided. 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 your work for you will be added to our invoices where appropriate.

Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.

# Time, Materials & Fixed Fee Projects

## Time Based Fees

As far as possible, we prefer to work on a fixed fee basis in respect of all our services provided to you. However, where you have requested for all or part of your services to be billed based on time and materials, we will keep a record of our time spent on your affairs and invoice you monthly or at appropriate times as our work in progress dictates. We will keep a record of time based on units of 15 (fifteen) minutes, rounded up to the next full fifteen (15) minutes where necessary.

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.

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.

## Fixed Fee Project Fees

Where you have engaged with us for 'extra' project work we will always agree a fixed fee with you in advance of us commencing the project work on your behalf. The level of fixed fee could be based on a number of factors, such as value derived, savings (tax or otherwise), an estimate of delivery days, the market rate, or an appropriate 'value' percentage. Please note, this list is not intended to be exhaustive and we will always work with you when agreeing a fair and reasonable basis for the fee. In such an arrangement, we assume the time risk.

## Other Fee Considerations

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. For our normal hourly rates please contact your Client Representative for further details.

The timing of issue of our invoices will depend on what services have been provided. 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 your work for you will be added to our invoices where appropriate. Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.

Invoices are to be settled within 14 days of issue.

We reserve the right to charge interest on late paid invoices at the rate of 3% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

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.

# Terms & Conditions

- a) Standard terms and conditions
- b) Privacy notice

# Standard Terms & Conditions

## 1. Applicable Law

These terms and conditions, and our engagement letter 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 the engagement and any matter arising from it.

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.

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 changes in the law or your circumstances.

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

## 2. Client Identification And Anti-Money Laundering Legislation

All accountants must comply with the Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 (SI 2017 No. 692), The Proceeds of Crime Act 2002 (as amended by the Crime and Courts Act 2013 and the Serious Crime Act 2015) (the "Anti Money Laundering Legislation"), which are intended to stop the activities of terrorists and other criminals by preventing them using accountancy services. If we do not comply with this legislation, we risk imprisonment.

Before we can act for your company, we have to confirm the identity of the directors. At any time we may also need to obtain evidence confirming the identities of third parties, the source of any money or funding of property or other assets, and other matters.

We assume that our clients are honest and law abiding. However, if at any time we have grounds to suspect that crime is being committed, we are obliged to make a report to the National Crime Agency (NCA). We are prohibited by the legislation from telling you that we have done this. In such circumstances, we cannot do any work for your company without consent from NCA.

'Criminal property' is money, property, other assets, rights or any benefit derived from criminal activity. Activity is considered 'criminal' if it is a crime under UK law, no matter how trivial. Tax evasion is a criminal offence, but an honest mistake is not. It does not matter who carried out the criminal activity. Even if you are honest in your dealings, if your property represents a benefit from someone else's crime, we must still make a report.

**Disclaimer:** We will not be liable for any loss suffered by you or any third party as a result of our compliance with the Anti Money Laundering Legislation or any UK law.

## 3. Client Monies

We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, separate from our funds.

If there are grounds to suspect that any monies held in a client account are derived directly or indirectly from any criminal activity whatsoever, we may not release such monies until we receive permission to do so from NCA.

Where monies are held in a Client Account, any interest received on these funds up to the value of £75 will be retained by the firm.

# Standard Terms & Conditions

## 4. Commissions or other Benefits

In some circumstances, commissions or other benefits may become payable to us in respect of transactions we arrange for you. The fees that would otherwise be payable by you will not be abated by such amounts. By signing this engagement letter, you consent to such commission or other benefits being retained by us without our being liable to account to you for any such amounts.

## 5. Confidentiality

Communication between us is confidential and we shall take all reasonable steps to keep confidential your information except where we are required to disclose it by law, by regulatory bodies, by our insurers or as part of an external peer review. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality terms.

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

## 6. Conflicts of Interest

We will inform you if we become aware of any conflict of interest on our relationship with you or in our relationship with you and another client. 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.

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. Where possible this will be done on the basis of your informed consent.

We reserve the right to act for other clients whose interests are not the same as or are adverse to yours subject of course to the obligations of confidentiality referred to above.

## 7. Customer Service

We are committed to providing you with a high quality service that is both efficient and effective. We welcome suggestions on how our service to you could be improved.

However, should there be any cause for complaint in relation to any aspect of our service please contact Mr Scott Sartin, FCA. We will look into your complaint carefully and promptly and do all we can to explain the position to you and address your concerns. If you are still not satisfied, you can refer your complaint to our professional body, the Institute of Chartered Accountants in England and Wales.

## 8. Data Protection

In this clause 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

# Standard Terms & Conditions

For the purpose of providing our services to you, pursuant to our engagement letter, we may disclose the client personal data to 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 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.

**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:**

- a)** 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;
- b)** 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)
- c)** 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.

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.

We confirm that we will comply with the provisions of the Data Protection Act 2003/General Data Protection Regulation (Regulation (EU) 2016/679) when processing personal data about you and your family. In order to carry out the services of this engagement and for related purposes such as updating and enhancing our client records, analysis for management purposes and statutory returns, legal and regulatory compliance and crime prevention we may obtain, process, use and disclose personal data about you.

## **Data Processor**

We shall both comply with all applicable requirements of the data protection legislation. This clause is in addition to, and does not relieve, remove or replace, either of our obligations under the data protection legislation.

We both acknowledge that for the purposes of the data protection legislation, you are the data controller and we are the data processor. Schedule 1 sets out the scope, nature and purpose of processing by us, the duration of the processing and the types of personal data and categories of data subject.

In respect of the client personal data, unless otherwise required by applicable laws or other regulatory requirements, we shall:

- a)** Process the client personal data only in accordance with your lawful written instructions, in order to provide you with the services pursuant to our engagement with you and in accordance with applicable data protection legislation
- b)** Disclose and transfer the client personal data to our regulatory bodies or other third parties (for example, our professional advisors or service providers) as and to the extent necessary in order to provide you with the services pursuant to our engagement with you in relation to those services
- c)** Disclose the client personal data to courts, government agencies and other third parties as and to the extent required by law

# Standard Terms & Conditions

**d)** Maintain written records of our processing activities performed on your behalf which shall include: (i) the categories of processing activities performed; (ii) details of any on cross border data transfers outside of the European Economic Area (EEA); and (iii) a general description of security measures implemented in respect of the client personal data

**e)** Maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of any client personal data and against accidental loss or destruction of, or damage to, such client personal data

**f)** Return or delete all the client personal data upon the termination of the engagement with you pursuant to which we agreed to provide the services

**g)** Ensure that only those personnel who need to have access to the client personal data are granted access to it and that all of the personnel authorised to process the client personal data are bound by a duty of confidentiality

**h)** Notify you if we appoint a sub-processor (but only if you have given us your prior written consent, such consent not to be reasonably withheld or delayed) and ensure any agreement entered into with the relevant sub-processor includes similar terms as the terms set out in this clause

**i)** Where we transfer the client personal data to a country or territory outside the EEA to do so in accordance with data protection legislation

**j)** Notify you promptly if: 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 the client personal data; or ii. we are served with an information or assessment notice, or receive any other material communication in respect of our processing of the client personal data from a supervisory body (for example, the Information Commissioner's Officer)

**k)** Notify you, without undue delay, in the event that we reasonably believe that there has been a personal data breach in respect of the client personal data

**l)** At your cost and upon receipt of your prior written notice, allow you, on an annual basis and/ or in the event that we notify you of personal data breach in respect of the client personal data, reasonable access to the relevant records, files, computer or other communication systems, for the purposes of reviewing our compliance with the data protection laws.

Without prejudice to the generality of this clause, you will ensure that you have all necessary appropriate consents and notices in place to enable the lawful transfer of the client personal data to us. Should you require any further details regarding our treatment of personal data, please contact: [e.cargill@charltonbaker.co.uk](mailto:e.cargill@charltonbaker.co.uk)

## 9. Disengagement

Should we resign or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

Should we have no contact with you for a period of 12 months or more, we may issue to your last known address a disengagement letter and hence cease to act.

## 10. Electronic and other Communication

Unless you instruct us otherwise we may, where appropriate, communicate with you and with third parties via e-mail or by other electronics means. The recipient is responsible for virus checking e-mails and any attachments.

With electronic communication there is a risk of nonreceipt, 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 e-mails 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.

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Any communication by us with you sent through the post system is deemed to arrive at your postal address two working days after the day that the document was sent. Note you can correspond with us by Freepost (Freepost number RTYR-TKBB-RKEX).

## 11. Fees, Billing and Payment Terms

The basis of our fees is as set out in the Fees section of this Client Service Brochure.

If invoices are not subject to payment by standing orders, our terms for such invoices are strictly 14 days net. We reserve the right to charge interest on late paid invoices at the rate of 3% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

Should you have any disagreement concerning a fee, this must be notified to us within 21 days of the invoice date. In the absence of such notification, you are deemed to have accepted the invoice and it is payable in full accordance with our normal terms.

If this letter of engagement covers work for a limited company and the company is unable to meet our fees as and when they fall due then the company's directors will be personally, jointly and severally liable in respect of our outstanding fees. We may offer you the facility to pay your fees by monthly instalments for which we do not charge any interest or other charges. As these terms have been agreed after 18th March 2015 this instalment agreement is not a regulated credit agreement.

## 12. File Destruction

You have a legal responsibility to retain documents and records relevant to your tax affairs. During the course of our work, we may collect information from you and others relevant to your tax affairs. We will return any original documents to you as and when requested. 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:**

- 6 years from the end of the accounting period.

Whilst certain documents may legally belong to you, we may destroy correspondence and other papers that we store, electronically or otherwise, which are more than 7 years old. You must tell us if you require the return or retention of any specific documents for a longer period.

## 13. Internal Disputes within a Client

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 or proprietors as appropriate. If conflicting advice, information or instructions are received from different directors or principals in the business we will refer the matter back to the board of directors or the partnership as appropriate and take no further action until the board or partnership has agreed the action to be taken.

## 14. Investment Advice

*(including insurance mediation services)*

Investment business is regulated under the Financial Services and Markets Act 2000. If, during the provision of professional services to you, you need advice on investments, including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority.

# Standard Terms & Conditions

## 15. Limitation of Liability

We will provide our services with reasonable care and skill. Our liability to you is limited to the lower of (a) your losses, damages, costs and expenses caused by our negligence or willful default, or, (b) our current total maximum individual claim as per our professional indemnity insurance cover.

### Provision of Services Regulation 2009

We comply with the above regulation by displaying the required details of our Professional Indemnity Insurance in each of our offices.

### Exclusion of liability for loss caused by others

We will not be liable if such losses, penalties, surcharges, interest or additional tax liabilities are due to the acts or omissions of any other person or due the provision to us of incomplete, misleading or false information or if they are due to a failure to act on our advice or a failure to provide us with relevant information.

### 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.

### Exclusion of liability relating to the discovery of fraud etc

We will not be responsible or liable for any loss, damage or expenses 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 willful default on the part of any party to the transaction and their directors, officers, employees, agents or advisors.

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.

## 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.

## 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 company, its directors, agents and employees to all persons to whom the engagement 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 circumstances. If you do not wish to accept it you should contact us to discuss it before signing the engagement letter.

## 16. Marketing and Communications

By agreeing to this letter of engagement, you are giving your consent to receiving relevant marketing materials from Charlton Baker. Should you wish to opt out from receiving this information, please let us know.

## 17. Ownership of Records

In the event of non-payment of our fees, we may exercise a right of lien over the books and records in our possession and withhold the documents until such time as payment of our invoice is received in full.

# Standard Terms & Conditions

## 18. Period of Engagement and Termination

Unless otherwise agreed in the engagement covering letter our work will begin when we receive your implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.

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. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

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 responsible or liable for any consequences arising from termination.

## 19. Professional Rules and Statutory Obligations

We will observe and act in accordance with the byelaws, regulations and ethical guidelines of the Institute of Chartered Accountants in England and Wales and will accept instructions to act for you on this basis. In particular you give us the 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.

## 20. Reliance on Advice

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.

## 21. Third Parties

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 under the Contract (Rights of Third Parties) Act 1999 to enforce any of its terms.

## 22. Foreign Account Tax Compliance Act (FATCA)

FATCA is a US tax law designed to prevent the use of offshore accounts by US taxpayers to evade US fiscal obligations. FATCA imposes on all non-US financial institutions (or Foreign Financial Institutions (FFIs)), two options: either be compliant or suffer 30 percent withholding tax on US source income. Unless agreed specifically in a separate engagement letter, we are not responsible for your compliance with the International Tax Compliance (United States of America) Regulations 2013, produced as a result of FATCA. In particular, we are not responsible for the categorisation of any UK entity into either a Financial Institution (FI) or an active or passive Non-Financial Foreign Entity (NFFE) nor, if a Financial Institution, for its registration with the US Internal Revenue Service (IRS) and subsequent submission of the required annual returns to HM Revenue & Customs.

# Standard Terms & Conditions

## 23. Probate Complaints Policy

Charlton Baker Limited is committed to providing a high-quality probate service to all our clients. When something goes wrong, we need you to tell us about it. This will help us to maintain and improve our standards.

### Our complaints procedure

If you have a concern or a complaint, please contact the person dealing with the assignment with the details. If we have to change any of the timescales set out below we will let you know. If you cannot solve the issues with this person and wish to make a formal complaint please address such complaint to the Head of Legal Practice, Jenna Sartin.

### What will happen next?

1. Within five days we will send you a letter acknowledging your complaint and asking you to confirm or explain the details. We may suggest that we meet to clarify any details
2. We will then record your complaint in our central register and try to resolve the complaint
3. If you are still not happy, we will refer the matter again to the Head of Legal Practice and open a file for your complaint and investigate. This may involve one or more of the following steps:
  - a. If we acted for you, we will consider your complaint again. We will then send you our detailed reply or invite you to a meeting to discuss the matter
  - b. If your complaint relates to a person outside the firm, for example, an expert or barrister, we will ask them to give us their reply to your complaint. We will then examine their reply and the information in your complaint file. We may also speak to them
  - c. We may ask another independent local solicitor to investigate your complaint and report to us
  - d. We will then write inviting you to meet the Head of Legal Practice and discuss and hopefully resolve your complaint.

4. We would aim to be in a position to be able to meet with you within 10 working days of first receiving your complaint. If you would prefer not to meet, or if we cannot arrange this within an agreeable timescale, we will write to you setting out our views on the situation and any redress

5. Within three working days of the meeting we will write to you to confirm what took place and any solutions we have agreed with you. In appropriate cases we could offer an apology, a reduction of any bill or a repayment in relation to any payment received

6. At this stage, if you are still not satisfied, please contact us again. We will then arrange to review our decision within the next 10 working days. This may happen in one of the following ways:

- a. We will review the decision ourselves
- b. We will arrange for someone who is not connected with the complaint to review our decision
- c. We will ask another local firm of solicitors to review your complaint. This may take longer than 10 working days in which case we will let you how long this process will take.

7. We will let you know the result of the review within five working days of the end of the review. At this time we will write to you confirming our final position on your complaint and explaining our reasons. If you are still not satisfied, you can contact the Legal Ombudsman about your complaint, but we very much hope that this will not be necessary

8. The Legal Ombudsman to whom complaints can be addresses can be contacted as follows:

Address: The Legal Ombudsman, PO Box 15870, Birmingham B30 9EB

Website: [www.legalombudsman.org.uk](http://www.legalombudsman.org.uk)

Email: [enquiries@legalombudsman.org.uk](mailto:enquiries@legalombudsman.org.uk)

Phone: 0300 555 0333

Normally you will need to bring a complaint to the Legal Ombudsman within 6 months of us writing to you with the firm's final response about your complaint.

# Standard Terms & Conditions

## Compensation Scheme

In addition, in the unlikely event that we cannot meet our liabilities to you, you may be able to seek a grant from ICAEW's Probate Compensation Scheme. Generally, applications for a grant must be made to ICAEW within 12 months of the time you became aware, or reasonably ought to have become aware, of the loss. Further information about the scheme and the circumstances in which grants may be made is available on ICAEW's website: [icaew.com/probate](https://www.icaew.com/probate). Alternatively, you can contact your usual contact at Charlton Baker Limited, or the Head of Legal Practice.



# Privacy Notice

## 1. Purpose of this Notice

This notice describes how we collect and use personal data about you, in accordance with the General Data Protection Regulation (GDPR), the Data Protection Act 2018 and any other national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK ('Data Protection Legislation').

Please read the following carefully to understand our practices regarding your personal data and how we will treat it.

## 2. About Us

Charlton Baker Limited ("we", "us", "our" and "ours") is an accountancy, tax, business advisory and bookkeeping firm. We are registered in England and Wales as a limited company under number: 07179787 and our registered office is at 7-7c Snuff Street, Devizes, Wiltshire, SN10 1DU.

For the purpose of the Data Protection Legislation and this notice, we are the 'data controller'. This means that we are responsible for deciding how we hold and use personal data about you. We are required under the Data Protection Legislation to notify you of the information contained in this privacy notice.

We have appointed a Head of Privacy. Our Head of Privacy is our Data Protection Point of Contact and is responsible for assisting with enquiries in relation to this privacy notice or our treatment of your personal data. Should you wish to contact our Data Protection Point of Contact you can do so using the contact details noted at paragraph 12 (Contact Us), below.

## 3. How We May Collect Your Personal Data

We obtain personal data about you, for example, when:

- You request a proposal from us in respect of the services we provide
- You OR your employer OR our clients engages us to provide our services and also during the provision of those services

- You contact us by email, telephone, post or social media (for example when you have a query about our services)
- From third parties and/or publicly available resources (for example, from your employer or from Companies House).

## 4. The Kind of Information We Hold About You

**The information we hold about you may include the following:**

- Your personal details (such as your name and/ or address, email address, date of birth, NI number, financial details including bank details, technical information such as IP address and any other information obtained in our dealings with you);
- Details of contact we have had with you in relation to the provision, or the proposed provision, of our services
- Details of any services you have received from us
- Our correspondence and communications with you
- Information about any complaints and enquiries you make to us
- Information from research, surveys, and marketing activities
- Information we receive from other sources, such as publicly available information, information provided by your employer OR our clients.

## 5. How We Use Personal Data We Hold About You

We may process your personal data for purposes necessary for the performance of our contract with you OR your employer OR our clients and to comply with our legal obligations.

We may process your personal data for the purposes necessary for the performance of our contract with our clients. This may include processing your personal data where you are an employee, subcontractor, supplier or customer of our client.

# Privacy Notice

We may process your personal data for the purposes of our own legitimate interests provided that those interests do not override any of your own interests, rights and freedoms which require the protection of personal data. This includes processing for marketing, business development, statistical and management purposes.

We may process your personal data for certain additional purposes with your consent, and in these limited circumstances where your consent is required for the processing of your personal data then you have the right to withdraw your consent to processing for such specific purposes.

Please note that we may process your personal data for more than one lawful basis depending on the specific purpose for which we are using your data.

## **Situations in which we will use your personal data We may use your personal data in order to:**

- Carry out our obligations arising from any agreements entered into between you OR your employer OR our clients and us (which will most usually be for the provision of our services)
- Carry out our obligations arising from any agreements entered into between our clients and us (which will most usually be for the provision of our services) where you may be a subcontractor, supplier or customer of our client
- Provide you with information related to our services and our events and activities that you request from us or which we feel may interest you, provided you have consented to be contacted for such purposes
- Seek your thoughts and opinions on the services we provide; and Notify you about any changes to our services. In some circumstances we may anonymise or pseudonymise the personal data so that it can no longer be associated with you, in which case we may use it without further notice to you.

If you refuse to provide us with certain information when requested, we may not be able to perform the contract we have entered into with you. Alternatively, we may be unable to comply with our legal or regulatory obligations.

We may also process your personal data without your knowledge or consent, in accordance with this notice, where we are legally required or permitted to do so.

## **Data retention**

We will only retain your personal data for as long as is necessary to fulfil the purposes for which it is collected.

When assessing what retention period is appropriate for your personal data, we take into consideration:

- The requirements of our business and the services provided
- Any statutory or legal obligations
- The purposes for which we originally collected the personal data
- The lawful grounds on which we based our processing
- The types of personal data we have collected
- The amount and categories of your personal data
- Whether the purpose of the processing could reasonably be fulfilled by other means.

## **Change of purpose**

Where we need to use your personal data for another reason, other than for the purpose for which we collected it, we will only use your personal data where that reason is compatible with the original purpose.

Should it be necessary to use your personal data for a new purpose, we will notify you and communicate the legal basis which allows us to do so before starting any new processing.

# Privacy Notice

## 6. Data Sharing

### Why might you share my personal data with third parties?

We will share your personal data with third parties where we are required by law, where it is necessary to administer the relationship between us or where we have another legitimate interest in doing so.

### Which third-party service providers process my personal data?

'Third parties' includes third-party service providers. The following activities are carried out by third-party service providers: IT and cloud services, professional advisory services, administration services, marketing services and banking services.

All of our third-party service providers are required to take commercially reasonable and appropriate security measures to protect your personal data. We only permit our third-party service providers to process your personal data for specified purposes and in accordance with our instructions.

### What about other third parties?

We may share your personal data with other third parties, for example in the context of the possible sale or restructuring of the business. We may also need to share your personal data with a regulator or to otherwise comply with the law.

## 7. Transferring Personal Data Outside the European Economic Area (Eea)

Where you or we use cloud based accounting software to maintain your financial records, in order to perform our contract with you, personal data may be transferred and stored on servers in the following countries:

- Canada / United States of America.

There is an adequacy decision by the European Commission in relation to these countries therefore, they will be deemed to provide an adequate level of protection for your personal information for the purpose of the Data Protection Legislation.

Should you require further information about these protective measures, please contact us using the contact details outlined below.

On limited occasions, certain members of our team may access client data securely while working temporarily from other countries, such as China. This access is strictly controlled, limited to the minimum information necessary, and protected by multi-factor authentication and encryption.

No data is stored or transferred permanently outside the UK or EEA, and all access is subject to our internal data protection and security controls.

## 8. Data Security

We have put in place commercially reasonable and appropriate security measures to prevent your personal data from being accidentally lost, used or accessed in an unauthorized way, altered or disclosed.

In addition, we limit access to your personal data to those employees, agents, contractors and other third parties who have a business need to know.

They will only process your personal data on our instructions and they are subject to a duty of confidentiality.

We have put in place procedures to deal with any suspected data security breach and will notify you and any applicable regulator of a suspected breach where we are legally required to do so.

# Privacy Notice

## 9. Rights of Access, Correction, Erasure, and Restriction

### Your duty to inform us of changes

It is important that the personal data we hold about you is accurate and current. Should your personal information change, please notify us of any changes of which we need to be made aware by contacting us, using the contact details below.

### Your rights in connection with personal data

Under certain circumstances, by law you have the right to:

- Request access to your personal data. This enables you to receive details of the personal data we hold about you and to check that we are processing it lawfully
- Request correction of the personal data that we hold about you
- Request erasure of your personal data. This enables you to ask us to delete or remove personal data where there is no good reason for us continuing to process it





# Charlton Baker

Accountancy redefined