

GrowBe

ADDITIONAL TERMS OF BUSINESS FOR FINANCIAL SERVICES

GrowBe Ltd outsources ACCA accountancy services to GrowBe Accounts Ltd. These Additional Terms apply to both GrowBe Ltd and to GrowBe Accounts Ltd.

1. PROFESSIONAL RULES AND PRACTICE GUIDELINES

1.1 GrowBe Accounts Ltd (GBA) is majority owned by Rishi Lokye who is registered with the Association of Chartered Certified Accountants as a chartered certified accountant and can be found on the register of members [here](#).

1.2 GrowBe Accounts Ltd will observe and act in accordance with the by-laws, regulations and ethical guidelines of the [Association of Chartered Certified Accountants \(ACCA\)](#) and will accept instructions to act for you on this basis.

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

1.4 In particular, you give us the authority to correct errors made by HMRC where we become aware of them. In addition, we will not undertake tax planning which breaches professional conduct in relation to taxation. We will therefore comply with the general anti-abuse rule and the targeted anti-avoidance rule. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements at our offices.

2. STATUTORY RESPONSIBILITIES

2.1 As directors of the client company, you are responsible for preparing financial statements which give a true and fair view and have been prepared in accordance with the Companies Act 2006. As directors 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.

2.2 In preparing the financial statements, you are required to:

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

2.3 You are responsible for keeping adequate accounting records that set out with reasonable accuracy at any time the company's financial position, and for ensuring that the financial statements comply with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UK GAAP)) and with the Companies Act 2006 and give a true and fair view. You are also responsible for confirming that the company meets the qualifying conditions as a micro entity set out in the Small Companies (Micro-Entities' Accounts) Regulations 2013.

2.4 You are 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.

2.5 You are responsible for determining whether, in respect of each year, the company meets the conditions for exemption from an audit of the financial statements set out in section 477 or 479A or 480

of the Act and for determining whether, in respect of each year, the exemption is not available for any of the reasons set out in sections 478, 479 and 479B of the Act.

2.6 You are responsible for ensuring that the assets of the company are safeguarded, and for establishing arrangements designed to deter fraudulent or other dishonest or irregular conduct, and detect any that occurs.

2.7 You are responsible for ensuring that the company complies with law and regulations applicable to its activities, and for establishing arrangements designed to prevent any non-compliance with law and regulations and to detect any that occur.

2.8 You have undertaken to make available to us, as and when required, all the company's accounting records and related financial information, including minutes of management and shareholders' meetings necessary for the compilation of the financial statements. You will make full disclosure to us of all relevant information that we need to do our work.

2.9 You will also be responsible for:

- Maintaining records of all receipts and payments of cash.
- Maintaining records of invoices issued and received.
- Reconciling balances monthly/annually with the bank statements.
- Preparing details of the following at the year-end, if applicable:
 - stocks and work in progress;
 - fixed assets;
 - amounts owing to suppliers;
 - amounts owing by customers; and
 - accruals and prepayments.

2.10 Our work will not be an audit of the accounts in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we shall not seek any independent evidence to support the entries in the accounting records, or to prove the existence, ownership or valuation of assets or completeness of income, liabilities or disclosure in the accounts. Nor shall we assess the reasonableness of any estimates or judgements made in the preparation of the accounts. Consequently, our work will not provide any assurance that the accounting records are free from material misstatement, irregularities or error.

2.11 As part of our normal procedures we may request you to provide written confirmation of any oral information and explanations given to us during the course of our work.

2.12 We have a professional duty to compile accounts that conform with generally accepted accounting principles. The accounts of a micro entity limited company are required to comply with the disclosure requirements of the Small Companies (Micro-Entities' Accounts) Regulations 2013. Where we identify that the accounts do not conform to accepted accounting principles or standards, we will inform you and suggest amendments be put through the accounts before being published. We have a professional responsibility not to allow our name to be associated with accounts that may be misleading. In extreme cases, where this matter cannot be resolved, we will withdraw from the engagement and notify you in writing of the reasons.

2.13 Should you instruct us to carry out any alternative report it will be necessary for us to issue a separate letter of engagement.

2.14 You are legally responsible for:

- ensuring that the CTSA 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 this may lead to penalties and/or interest.

2.15 Legal responsibility for approval of the return cannot be delegated to others. The nominated director agrees to check that the forms that we have prepared for you are complete before they approve them.

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

2.16.1 To provide us with approved accounts for the company. It is the responsibility of the directors collectively to produce accounts which give a true and fair view and we can only provide tagging services where the accounts have been prepared on this basis. Where the accounts are not supplied in a format that is compatible with our iXBRL software we will convert the figures, which may be subject to an additional fee. This will be discussed and agreed with you in advance.

2.16.2 That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions.

2.16.3 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.

2.16.4 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.

2.16.5 To provide us with information in sufficient time for the company's CTSA return to be completed and submitted by the due date following the end of the tax year.

2.16.6 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.

2.16.7 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 at the latest within three months of the end of the relevant accounting period.

2.17 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 or not, please let us know so that we can assess its significance.

2.18 Where you wish us to deal with HMRC communications you will forward to us all communications received from HMRC such as HMRC statements of account, copies of notices of assessment and letters. These must be provided in time to enable us to deal with them as may be necessary within the statutory time limits. It is essential that you let us have copies of any correspondence received because HMRC is not obliged to send us copies of all communications issued to you.

2.19 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.

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

2.21 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.

2.22 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 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.

3. MONEY LAUNDERING REGULATIONS 2017

3.1 The firm has a policy to fulfil the requirements of the money laundering legislation (including, but not limited to, the Money Laundering Regulations 2017, the Proceeds of Crime Act 2002 and the Terrorism Act 2000) and supporting authoritative guidance for the accountancy sector issued by the *Consultative Committee of Accountancy Bodies*.

3.2 In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided or information disclosed to the National Crime Agency (NCA). You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

3.3 As with other professional services firms, we are required to have appropriate risk based policies and procedures for assessing and managing money laundering risks: this applies at the start of any business relationship and through the lifetime of the relationship. This includes undertaking appropriate customer due diligence. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

3.4 Copies of such records created as part of the client due diligence process, including any non-engagement documents relating to the client relationship and ongoing monitoring of it, will be retained by us for a period of five years after we cease to act for the business unless we are required to retain them under statutory obligation, or to retain them for legal proceedings, or you consented to the retention in which case the records will be retained for not more than 10 years.

4. ANTI MONEY LAUNDERING (AML) POLICIES AND PROCEDURES

4.1 Money Laundering Policy

4.1.1 To ensure the risk of money laundering is addressed appropriately in respect of all clients and work undertaken.

4.1.2 To ensure commercial considerations never override the need to comply with the regulations.

4.1.3 To ensure sufficient resources are devoted to the development, documentation and training necessary to ensure compliance.

4.1.4 To ensure that the firm appoints a suitable money laundering reporting officer to monitor compliance and is responsible for determining suspicious activity.

4.1.5 To undertake a regular review of the policy, controls and procedures and update as appropriate. A written record of this exercise is maintained.

4.1.6 Please contact our MLRO to see our full AML Policy

4.2 Money laundering reporting officer (MLRO)

4.2.1 The MLRO is John Bickell.

4.2.2 The alternate MLRO within GrowBe Ltd is Mark Allen and the alternate MLRO within GrowBe Accounts Ltd is Rishi Lokye.

4.2.3 The MLRO will monitor the effectiveness of policies, procedures and processes highlighting in a written document where improvements can be made when inefficiencies are found. Risks should be monitored and any changes must be reflected in changes to policies and procedures; keeping

them up-to-date, in line with the risk assessment of the business. This includes all internal assessments, training, risk evaluation and any reporting obligations as set out by the Money Laundering Regulations 2017, the Proceeds of Crime Act 2002 and the Terrorism Act 2000) and supporting authoritative guidance for the accountancy sector issued by the *Consultative Committee of Accountancy Bodies*.

4.3 Policy and procedure on due diligence

Policy

- It is our policy to undertake a whole-firm risk assessment and ensure that evidence of identity is obtained and retained as appropriate to that risk assessment for all clients.
- Risks are grouped into categories such as ‘client’, ‘service’ and ‘geography’. All risks, including those not within a category will be assessed in isolation and also when grouped together. These risks will be used to assess the CDD process.
- This evidence will be obtained before work is commenced on the client or when changes occur during the relationship with the client.
- In all cases where the evidence is not available, the matter will be referred to the MLRO.

Procedure

- Prior to appointment, when a significant transaction or change takes place, and annually, due diligence will be undertaken and reviewed on all clients. This exercise will involve considering the operation of the business and undertaking appropriate identification checks.

4.4 Policy and procedure on reporting

Policy

- It is our policy to report all suspicions identified to the National Crime Agency (NCA) where required.

Procedure

- All staff will report suspicions to the MLRO or their alternate in his absence as soon as the suspicion arises. The report will be made using the internal reporting form providing as much detail as possible. This report will not be discussed with anyone outside of the firm and at no stage must the client be given any details of the report, without the specific authorisation of the MLRO.
- On receipt of the report, the MLRO or his alternate will consider the contents, request further information where required and determine what action should be taken.
- His decision will be recorded on the internal report form and then where necessary a report will be submitted to NCA on the prescribed form.
- The MLRO will inform the Director in charge of the assignment of any action that he needs to take (for example, ceasing work until consent has been obtained).

4.5 Policy and procedure on record keeping (client due diligence and money laundering issues only)

Policy

- It is our policy to maintain records of identification and consideration of money laundering issues for the entire period that we act for the client and for five years after we cease to act in accordance with the regulations. If we are required to retain them under statutory obligation, or to retain them for legal proceedings, or by client consent the records will be retained for not more than 10 years.
- The client will be asked to give permission for the retention of copies of the documentation which will be maintained securely.

Procedure

- The client due diligence form and consideration of money laundering issues’ documentation will be completed for all new clients and updated on at least an annual basis and when a significant transaction or change takes place.
- This form, along with supporting documentation, will be filed in the client’s permanent file.
- When we cease to act for a client this information will be archived electronically in a secure location with a date logged. It will be passed for confidential destruction after five years.

4.6 Policy and procedure on third-party reliance

Policy

- It is not generally our policy to give permission to a third party to rely on information obtained by us.

Procedure

- Where you wish to place reliance on a third party or permission has been requested from a third party, the MLRO should be consulted and an appropriate response given.

4.7 Policy and procedure on internal control

Policy

- It is our policy to facilitate adequate internal control to allow for compliance with the regulations and other appropriate legislation.

Procedure

- As detailed below, the firm will appoint an MLRO and where appropriate an alternate.
- The MLRO will be given authority to implement the necessary changes in the firm's procedures to ensure compliance.
- All Directors and staff will be required to accept the changes to the office rules and agreements that confer the necessary authority on the MLRO.
- All Directors and staff will be required to make the necessary internal reports using the standard form when they have a suspicion in respect of a client.
- All Directors and staff will be required to complete the fit and proper, confirmation of independence and annual declaration on an annual basis.
- The firm will retain evidence of all Director and staff screening relating to skills, knowledge, expertise, conduct and integrity both before, and during the course of, their appointment. This includes knowledge of the law relating to money laundering, terrorist financing, and data protection as well as an assessment of conduct and integrity as part of the firm's ethics training.

4.8 Policy and procedure on compliance management

Policy

- It is our policy to undertake a regular compliance review to ensure that the requirements of the regulations are being followed.

Procedure

- The MLRO will undertake a compliance review on a regular basis. This review will include but is not limited to:
 - Consideration of the annual declaration of fit and proper status, etc. completed by all Directors and staff.
 - A review of a sample of files to ensure that the client due diligence pack has been completed and/or updated as necessary.
 - Consideration of the adequacy of the training given to all staff and Directors.

4.9 Policy and procedure on communication

Policy

- It is the policy of this firm to ensure that all Directors and staff have access to adequate training to ensure that they have the necessary knowledge of the law relating to money laundering, terrorist financing, and data protection and receive regular training in how to recognise and deal with suspicious transactions which may be related to money laundering or terrorist financing.

Procedure

- All Directors and staff will be required to:
 - Undertake training for any new regulations. These include the law relating to money laundering, terrorist financing, and data protection
 - Undertake training and assessment to ensure that they:
 - are aware of their legal and regulatory duties;
 - understand how to put those requirements into practice in their roles, including training on ethics; and

- are continuously updated about changes in, (a) the business's AML policies, systems and controls, and (b) the money laundering risks faced
- Consider whether they need to undertake further training for any new regulations.
- Confirm their understanding of and compliance with the regulations and the firm's policies and procedures as part of their annual declaration.

4.10 Anti-Bribery Policy

4.10.1 Bribery is a criminal offence. We prohibit any form of bribery. We require compliance, from everyone connected with our business, with the highest ethical standards. Integrity and transparency are of utmost importance to us and we have a zero-tolerance attitude towards corrupt activities of any kind, whether committed by our employees or by third parties acting for or on our behalf.

4.10.2 It is prohibited, directly or indirectly, for any employee or person working on our behalf to offer, give, request or accept a bribe, i.e. gift, loan, payment, reward or advantage, either in cash or any other form, to or from any person or company in order to gain commercial, contractual or regulatory advantage for GrowBe Ltd or GrowBe Accounts Ltd, or in order to gain any personal advantage for an individual or anyone connected with the individual in a way that is unethical.

4.10.3 If we suspect that an act of bribery or attempted bribery has been committed, an investigation will be carried out and, in line with our disciplinary procedure where appropriate, action may be taken against you which may result in the cessation of our business arrangement with you.

4.11 Gifts and hospitality

4.11.1 We realise that the giving and receiving of gifts and hospitality as a reflection of friendship or appreciation where nothing is expected in return may occur, or even be commonplace, in our industry. This does not constitute bribery where it is proportionate and recorded properly.

4.11.2 No gift should be given nor hospitality offered by an employee or anyone working on our behalf to any party in connection with our business without receiving prior written approval from a Director.

4.11.3 Similarly, no gift or offer of hospitality of a value greater than £50 should be accepted by an employee or anyone working on our behalf without receiving prior written approval from a Director. In all cases full details of gifts and hospitality received should be notified to a Director.

4.11.4 A record will be made of every instance in which gifts or hospitality are given or received.

4.11.5 As the law is constantly changing, this policy is subject to review and we reserve the right to amend this policy without prior notice.

5. QUALITY OF SERVICE

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

5.2 We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may take up the matter with the Association of Chartered Certified Accountants. This should be done promptly and in any event no later than 6 months after exhausting our procedures.

5.3 Should ACCA consider a complaint appropriate for conciliation, it is competent to offer alternative dispute resolution through its Conciliation Service. ACCA's website address is www.accaglobal.com. Please note that, under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) conciliation process we are not obliged to submit to ACCA's conciliation process.

6. OTHER SERVICES

6.1 Consumer credit

If, during the provision of professional services to you, you need advice or services on areas from us that fall within Consumer Credit activity, we may have to refer you to someone who is authorised by the Financial Conduct Authority (FCA) as we are not authorised to undertake this activity.

6.2 Investment services

6.2.1 Investment business is regulated under the Financial Services and Markets Act 2000 and the Financial Services Act 2012.

6.2.2 If, during the provision of professional services to you, you need advice on investments, we may have to refer you to someone who is authorised by the Financial Conduct Authority or the Prudential Regulation Authority. However, as we are licensed by the Association of Chartered Certified Accountants (ACCA), we may be able to provide certain investment services that are complementary to, or arise out of, the professional services we are providing to you.

7. RETENTION OF AND ACCESS TO RECORDS

7.1 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 at your cost.

7.2 When we cease to act for you we will seek to agree the position on access to cloud-accounting records to ensure continuity of service. This may require you to enter direct engagements with the software providers and pay for that service separately. 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: five years and 10 months after the end of the tax year
 - otherwise: 22 months after the end of the tax year.
- Companies, LLPs and other corporate entities
 - six years from the end of the accounting period.

7.3 While certain documents may legally belong to you, we may destroy correspondence and other papers that we store, electronically or otherwise, which are more than seven years old. This includes your documents if they have not been reclaimed by you within the seven-year period. You must tell us if you require the return of any specific document or their retention for a longer period.

7.4 You should retain documents that are sent to you by us as set out in the privacy notice, which should be read alongside these terms and conditions.

Notification

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

8. CLIENTS' MONEY REGULATIONS

We do not, and will not, hold client money.

9. CLIENT IDENTIFICATION

As with other professional services firms, we are required to identify and verify our clients for the purposes of the UK anti-money laundering legislation. Save in exceptional circumstances we cannot start work until this requirement has been met. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases including ID verification software.

LIMITED COMPANY – PREPARATION OF FINANCIAL STATEMENTS

The purpose of this Appendix is to set out the basis on which we are to act as your accountants and the respective areas of responsibility of you and ourselves.

1. No audit

We will not be carrying out any audit work as part of this assignment and accordingly will not verify the assets and liabilities of the company, nor the items of expenditure and income. To carry out an audit would entail additional work to comply with International Standards on Auditing so that we could report on the truth and fairness of the financial statements. We would also like to emphasise that we cannot undertake to discover any shortcomings in your systems or irregularities on the part of your employees. If an audit of the accounts is required, you will need to notify us in writing. Should our work indicate that the company is not entitled to exemption from an audit of the accounts, we will inform you. To ensure that anyone reading the accounts is aware that we have not carried out an audit, we will attach to the accounts a report stating this fact.

2. Accounts preparation services

2.1 We will attach to the accounts a report developed by the Consultative Committee of Accountancy Bodies (CCAB) which explains what work has been done by us, the professional requirements we have to fulfil and the standard to which the work has been carried out. Web links are provided in the report so that you can obtain further information from the Association of Chartered Certified Accountants about:

- The technical guidance for the work, and
- The related ethical and other professional requirements.

2.2 The intended users of the report are the directors. The report will be addressed to the directors.

2.3 Once we have issued our report we have no further direct responsibility in relation to the accounts for that financial year. However, we expect that you will inform us of any material event occurring between the date of our report and that of the annual general meeting that may affect the accounts.

3. Taxation work

3.1 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, for tax purposes, of the accounts in iXBRL via the Government Gateway.

3.2 We will, to the extent we consider necessary, manually amend or apply tags where the software has not applied automatic tagging or where we consider any automatic tagging to have been inappropriate.

3.3 We will provide you with copies of the iXBRL information, which will show the tagging applied, for your approval.

3.4 We will prepare the company's corporate tax self-assessment (CTSA) return. After obtaining written evidence of the approval of the nominated director, we will submit it to HMRC.

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

3.6 We will tell you how much tax the company should pay and when. Where instructed by you, we will advise on the interest and penalty implications if corporation tax is paid late. Where taxable losses are involved, we will advise you of the options available and, where appropriate, we will initiate repayment claims.

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

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

4. Scope of Accountant's Work

4.1 We will advise you as to the adequacy of your records for preparation of the annual financial statements and make recommendations for improvements, which we consider necessary. We shall not be responsible if, as a result of you not taking our advice, you incur losses or penalties.

4.2 We will use reasonable skill and care in the preparation of your financial statements but will not be responsible for errors arising from incorrect information supplied by you.

4.3 We have a professional duty to compile financial statements, which conform to generally accepted accounting principles. Furthermore, the financial statements of a limited company are required to comply with the Companies Act 2006 and applicable accounting standards. Where we identify that the financial statements do not conform to accepted accounting principles, or if the accounting policies adopted are not immediately apparent, this will be made clear in our report, if it is not clear in the financial statements.

4.4 As part of our normal procedures we may request you to provide written confirmation of any information or explanations given to us orally during the course of our work.

5. Form of the Accountant's Work

We shall report to the Board of Directors, with any modifications that we consider may be necessary, that in accordance with this engagement letter and in order to assist you to fulfil your responsibilities, that we have compiled, without carrying out an audit, the financial statements from the accounting records of the company 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 for our work or for this report.

MANAGEMENT ACCOUNTS

1. Your Responsibilities

You will maintain and make available records as described in the Additional Terms of Business for Financial Services, paragraph 2, Your Statutory Responsibilities.

2. Our Responsibilities

2.1 We will prepare management accounts which involves us in completing the writing up of your books and records, insofar as they are incomplete when presented to us, from the information and explanations supplied to us and preparing draft financial information therefrom for your approval.

2.2 You understand that we will not be carrying out an audit in accordance with International Standards on Auditing (UK) and accordingly will not verify the assets and liabilities of your organisation, nor the items of expenditure and income. To carry out an audit would require additional work to comply with generally accepted auditing standards so that we could report on the truth and fairness of the financial statements.

2.3 We would emphasise that we cannot 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 such circumstances that we encounter in preparing your financial information.

2.4 The financial information is not suitable for submission with the self-assessment tax return, or for summary thereon.

2.5 We will report to you, as appropriate, that in accordance with this letter of engagement, we have not carried out an audit but have compiled the management accounts 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, the Client, for the work or for the report which we provide, which will provide an appropriate disclaimer of liability. Although we are aware that the management accounts will be made available to third parties, we neither owe nor accept any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on the management accounts.

COMPANY SECRETARIAL

1. Your Responsibilities

1.1 A private company is required to file its financial statements at Companies House within nine months of the year end. The company will be liable to a fine if it fails to do so.

1.2 In order to avoid this we will produce statutory financial statements, suitable for filing, within the required period, provided all your records are complete and presented to us within four months after the year end, and all subsequent queries are promptly and satisfactorily answered. We accept no responsibility for fines or regulatory action taken against the directors where the statutory financial statements are not available for filing.

2. Our Responsibilities

2.1 We will produce statutory financial statements, suitable for filing, within the required period, provided you meet the conditions outlined in paragraph 1.2 above.

2.2 We have agreed to act as your agent and to:

- submit the financial statements to the Registrar of Companies;
- complete and submit the company's annual confirmation statement;
- 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;
- maintain the statutory books.

CORPORATION TAX

1. Your Responsibilities

1.1 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's tax return (including XBRL tags and iXBRL file) is correct and complete;
- Filing any returns by the due date;
- Making payment of tax on time.

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

1.3 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 complete before he/she approves and signs them.

1.4 Note that for the purpose of this letter of engagement, the filing of, "company's tax return" refers to the corporation tax self assessment return, corporation tax computations and the company's financial statements for the period being submitted to HM Revenue & Customs ("HMRC") in an Inline eXtensible Business Reporting Language ("iXBRL"), including, where appropriate, iXBRL tagging.

1.5 To enable us to carry out our work the Directors 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 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 accounting period. In order to do this, we need to receive all relevant information within 4 months after the year end. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee for so doing;
- 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; and
- 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 at least within three months of the end of the relevant accounting period.

1.6 The Directors 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 or not please let us know so that we can assess its significance.

1.7 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 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.

1.8 It is our policy to confirm in writing advice upon which the company may wish to rely.

1.9 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law 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.

1.10 We will be pleased also to advise the directors and executives on their personal income tax and capital tax affairs. In such cases we will need to agree separate terms with the individuals concerned.

2. Our Responsibilities

2.1 We will prepare the corporation tax computation and supporting schedules required for the preparation of the company corporate tax return from the accounts, information and explanations provided to us on your behalf.

2.2 We will prepare the company's corporate tax return, using appropriate 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 where we consider any automatic tagging to have been inappropriate. We will provide you with detailed information regarding the tagging applied for your approval.

2.3 After obtaining the approval and signature of an authorised nominated director, we will submit the company's corporate tax return to HMRC. We will not accept liability for any financial penalty or loss or other damage arising from any rejection of the iXBRL accounts by HMRC or otherwise as a result of incorrect or inappropriate tagging.

2.4 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.

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

2.6 We will advise you as to 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.

2.7 We will deal with all communications relating to the company's tax return addressed to us by HMRC or passed to us by the company. However, if HMRC choose your return for enquiry this work may need to be the subject of a separate assignment in which case we will seek further instructions from you.

2.8 We will prepare the tax provisions and disclosures to be included in the company's statutory financial statements.

2.9 We are able to offer fee protection to cover insurance the cost of our fees arising from HMRC investigations. If you would like further details of this service please let us know.

2.10 Where you have instructed us to do so, we will also provide such other taxation advisory and ad-hoc services as may be agreed between you and us from time to time. These may be the subject of a separate letter of engagement, at our option. Where appropriate, we will discuss and agree an additional fee for such work when it is commissioned by you. Where specialist advice is required on occasions, we may need to seek this from, or refer you to an appropriate specialist.

2.11 In relation to groups and consortia 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:

- Where instructed to 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;
- Where 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 consortia relief;
 - We will advise on arrangements for payment of tax and the surrender and set-off of tax refunds within the group; and
 - We will advise on claiming eligible unrelieved foreign tax ('EUFT') or the surrender of any amount of EUFT.]

PAYROLL

1. Your Responsibilities

1.1 You are responsible for pension schemes and arrangements. You must provide sufficient information for us to administer pension contributions.

1.1 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; and
- Making payment of tax and NIC on time.
- 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; and
- Making payment of Class 1A NIC on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest. Employers and signatories to returns cannot delegate this legal responsibility to others. You agree to check that submissions and returns we have prepared for you are complete before you approve 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.

1.2 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 and benefits in kind affairs and workplace pension scheme contributions: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- 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 three working days prior to the payroll 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 packages 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 date of birth of all apprentices aged under 25;
 - Names and date of birth of all employees aged under 21;
 - Information necessary to enable us to calculate statutory payments, i.e. statutory sick pay, statutory maternity pay, statutory adoption pay, statutory paternity pay, statutory shared parental pay;
 - All leavers, including deaths of employees, their leaving date, termination arrangements, and any payments to be made after their leaving date;
 - All changes to remuneration packages including benefits in kind to be payrolled;
 - Any changes to the employees' bank accounts; and
 - Irregular and / or ad hoc payments and the dates to be paid.
- To approve:

- In-year and final Full Payment Submission (“FPS”) by at least three working days prior to payroll pay dates so that they can be submitted on or before the payroll pay date, or as agreed with us;
- In-year and final Employer Payment Summary (“EPS”) by at least three working days prior to 19th of the month following the tax month; and
- Earlier Year Update (“EYU”) within three working days of notifying you of the data therein.
- To notify us within three working 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;
- 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;
- You will keep us informed of changes in circumstances that could affect the payroll. If you are unsure whether the change is material or not please let us know so that we can assess the significance; and
- That we can approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.

1.3 If the information required to complete the payroll services set out above is received less than three working days before the payroll date we will still endeavour to process the payroll and returns to meet the agreed payroll date and filing deadlines but we will not be liable for any costs or other losses arising if the payroll is late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.

1.4 If the information required to complete the benefits in kind returns set out above is received more than 60 days after the end of the tax year we will still endeavour to process the information onto the benefits in kind returns to meet the submission date but we will not be liable for any costs or other losses arising if the submission is late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.

1.5 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 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 and, in most cases, will not do so.

1.6 It is our policy to confirm in writing advice upon which you may wish to rely.

1.7 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law 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. Our Responsibilities

2.1 We do not advise on or manage pension schemes or arrangements. We will administer your payroll pension contributions as part of our payroll responsibility only, see 2.2 below.

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

- Calculating the pay as you earn (PAYE) 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;
- Calculating other statutory and non-statutory deductions; and
- Submitting information online to HMRC under RTI for PAYE.

2.3 We will prepare and send to you the following documents before the time of payment through the payroll or due date for delivering information to HMRC:

- Payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
- FPS for taxable pay and payrolled benefits for each employee;
- A payslip for each employee unless not required;
- A form P45 for each leaver;
- A report showing your PAYE and NIC liability and due date for payment; and
- A report showing employee and employer pension contributions payable in respect of each employee to the respective workplace pension scheme(s) of which they are members and the due date(s) for payment.

2.4 We will submit FPSs online to HMRC after the data to be included therein has been approved by you. (FPSs must reach HMRC normally on or before the payroll pay date). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out above.

2.5 We will prepare, where appropriate (for example, to recover statutory payments, claim deductions under the NIC holiday scheme or CIS deductions, confirm that no payments were made to employees), for each tax month, an EPS from the information and explanations that you provide to us.

2.6 We will submit EPSs to HMRC after the data to be included therein has been approved by you. (EPSs must reach HMRC by the 19th of the month following the tax month to which they relate). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out above.

2.7 At the end of the payroll year we will:

- Prepare the final FPS (or EPS) including employer annual declarations and submit this to HMRC after the data to be included therein has been approved by you. (The final FPS (or EPS) for the year must reach HMRC by 19 April following the end of the tax year). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out above.
- Prepare and send to you by the statutory due date Form P60 for each employee on the payroll at the year end.

2.8 We will deal with any online secure messages sent to us by HMRC in respect of your payroll.

2.9 We will submit National Insurance Number (“NINO”) verification requested as appropriate to verify or obtain a NINO for a new employee.

2.10 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.

2.11 We will submit the forms P11D with the form P11D(b) after the form P11D(b) has been signed by you.

2.12 We will prepare and send to you the P11D information for you to forward to your employees and directors by the statutory due date.

2.13 We will calculate your Class 1A NIC liability on the benefits returned in forms P11D that you are obliged to pay HMRC by the due date and send payment instructions to you.

2.14 We will deal with all communications relating to your payroll or benefits in kind return addressed to us by HMRC or passed to us by you. However, if HMRC choose your return for enquiry this work may need to be the subject of a separate assignment in which case we will seek further instructions from you.

2.15 Where you have instructed us to do so, we will also provide such other taxation advisory and ad-hoc services as may be agreed between you and us from time to time. These may be the subject of a separate letter of engagement, at our option. Where appropriate, we will discuss and agree an additional fee for such work when it is commissioned by you. Where specialist advice is required on occasions, we may need to seek this from, or refer you to an appropriate specialist.

VALUE ADDED TAX

1. Your Responsibilities

1.1 Even though you are engaging us to help you meet your corporation tax obligations, you are legally responsible for:

- Ensuring that your returns are correct and complete;
- Filing any returns by the due date; and
- 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 that returns we have prepared for you are complete before he / she approves and signs them.

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

- That all returns are to be made on the basis of full disclosure;
- 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;
- 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;
- To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs; and
- 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 15 days before submission to complete our work.

1.3 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 an additional fee for doing so.

1.4 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 its significance.

1.5 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 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.

1.6 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.

1.7 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 VAT registered, 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. The same applies to equivalent non-UK taxes.

1.8 If EC Sales Lists need to be completed 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. Please note that the online filing deadline for EC Sales Lists is twenty one days after the end of the reporting period.

1.9 If you provide digital services to consumers in the EU, you are responsible either for registering for VAT in that member state, or for registering for VAT Mini One Stop Shop ('MOSS') in the UK. Please note that the online filing deadline for MOSS is twenty days after the end of the calendar quarter.

1.10 It is our policy to confirm in writing advice upon which you may wish to rely.

1.11 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law 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. Our Responsibilities

2.1 We will prepare your VAT returns/EC Sales lists/Mini One-Stop Shop ('MOSS') returns on the basis of the information and explanations supplied by you.

2.2 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 repayment claims where tax has been overpaid. We will advise on the interest and penalty implications if VAT is paid late.

2.3 Where appropriate, we will calculate the partial exemption annual adjustment. This annual adjustment will normally be made in the financial quarter ending March, April or May.

2.4 Where appropriate, we will calculate the annual Capital Goods Scheme adjustment. The adjustment will normally be made in the quarter ending March, April or May.

2.5 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.

2.6 We will deal with all communications relating to your VAT return addressed to us by HMRC or passed to us by you. However, if HMRC choose your return for enquiry this work may need to be the subject of a separate assignment in which case we will seek further instructions from you.

2.7 Where you have instructed us to do so, we will also provide such other taxation advisory and ad-hoc services as may be agreed between you and us from time to time. These may be the subject of a separate letter of engagement, at our option. Where appropriate, we will discuss and agree an additional fee for such work when it is commissioned by you. Where specialist advice is required on occasions, we may need to seek this from, or refer you to an appropriate specialist.

AD HOC AND ADVISORY WORK

1. Where the nominated director has instructed 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 services will be subject to the terms of this engagement letter and standard terms and conditions of business unless we decide to issue a separate engagement letter. An additional fee may be charged for these services.

Examples of such work include:

- advising on ad hoc transactions and queries (including telephone conversations), preparing and submitting information in the relevant format to HMRC and calculating any related tax liabilities
- 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 enhanced expenditure claims and reliefs, including those relating to research and development
- advising you on and preparing detailed capital allowance claims relating to buildings and renovation, including the analysis of expenditure
- dealing with any enquiry opened into the company's tax return or tax affairs by HMRC
- preparing any amended returns that may be required and corresponding with HMRC as necessary.

2. Where specialist advice is required on occasion, we may need to seek this from or refer you to appropriate specialists. We will only do this when instructed by the nominated director.

PERSONAL TAX

1. Your Responsibilities

1.1 Even though you are engaging us to help you meet your self assessment obligations, you are legally responsible for:

- Ensuring that your self assessment tax return is correct and complete;
- Filing any returns by the due date; and
- Making payment of tax on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest. Taxpayers who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns we have prepared for you are complete before you approve and sign them. Note that for the purpose of this letter of engagement, the filing of your self assessment tax return refers to the return for the period being submitted to HM Revenue & Customs (“HMRC”) in an electronic format over the internet.

1.2 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 advise whether you or your spouse or partner (with whom you live, or have lived during the tax year) are entitled to receive child benefit in respect of a child that lives with you (whether or not you are the parent of that child);
- To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs; and
- To provide us with information in sufficient time for your tax return to be completed and submitted by the 31st January following the end of the tax year. In order that we can do this, we need to receive all relevant information by 31st December.

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

1.4 You will forward to us on receipt copies of all HMRC statements of account, PAYE coding notices (if applicable), notices of assessment, letters and other communications received from the HMRC 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 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.

1.5 It is our policy to confirm in writing advice upon which you may wish to rely.

1.6 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law 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. Our Responsibilities

2.1 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 HMRC.

2.2 We will calculate your income tax, national insurance contribution (“NIC”) and any capital gains tax liabilities and tell you how much you should pay and when. We will advise on the interest, penalty and surcharge 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 has been overpaid.

2.3 Other than as regards tax credits (see below), we will advise you as to 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.

2.4 We will review PAYE notices of coding where such notices are forwarded to us and advise accordingly.

2.5 We will deal with all communications relating to your return addressed to us by HMRC or passed to us by you. However, if HMRC chooses your return for enquiry this work may need to be the subject of a separate assignment in which case we will seek further instructions from you.

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

2.7 We are able to offer fee protection insurance to cover the cost of our fees arising from HMRC investigations. If you would like further details of this service please let us know.

2.8 Where you have instructed us to do so, we will also provide such other taxation advisory and ad-hoc services as may be agreed between you and us from time to time. These may be the subject of a separate letter of engagement, at our option. Where appropriate, we will discuss and agree an additional fee for such work when it is commissioned by you. Where specialist advice is required on occasions, we may need to seek this from, or refer you to an appropriate specialist.

2.9 If we agree to advise you on tax credits we will issue a separate letter of engagement to cover this area. Tax credits are, in effect, a social security benefit. Your entitlement or otherwise will depend not only on your own circumstances but also those of your household and we would require all relevant information to advise in this regard.

2.11 We shall advise you and your spouse or partner on the basis that you are a family unit. You both agree that in all matters relating to your or your spouse’s or partner’s 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.

2.12 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 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 both of you 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.