

# Shires Accountants Limited

## Terms of Business & Engagement

The purpose of this schedule is to set out our Standard Terms of Business that apply to all Engagements accepted. In producing these we have made every effort to do so in plain English. All work carried out is subject to these terms except where changes are expressly agreed in writing by a Director of Shires Accountants limited.

These Standard Terms of Business and Engagement are applicable to all types of entities (e.g. companies, partnerships, LLPs, sole traders, individuals, charities, clubs, societies, academies, etc).

Any reference therefore to 'director' or 'company' should be interpreted as appropriate for the entity type (e.g. partner, trustee, governor, charity, LLP, etc.)

### 1. Definitions

In these Standard Terms of Business and Engagement, unless the context otherwise requires the following words shall have the following meanings:

- "Agreement term" means the term of the agreement between you and Shires Accountants Limited.
- "Administering date" means a date with a given number of working days before the clients pay date for confirming payroll details.
- "Business day" means a day (excluding Saturdays) on which the banks generally are open for normal banking business.
- "Client pay date" means the date the client requires staff members to be paid.
- "Commencement Date" means the commencement date for this agreement.
- "Client" 'you' or 'your' refer to you an individual, partnership, company, charity or other entity being our client detailed on the engagement letter.
- "Fees" means the charges in respect of the services provided.
- "Party" or "Parties" means jointly or single Shires Accountants Limited and the individual(s) or entity that enters into these terms.
- "Payroll agent" means the capacity in which we act on behalf of the client for payroll services.
- "Schedule"(s) an appendix to these terms of business and engagement.
- "Shires", "we" "our" or "firm" shall in all cases mean Shires Accountants Limited who is registered in England Registration number 08857747 or its associated companies and in all relevant cases any successor or assignee.
- "Service" means the services to be delivered under the engagement letter.
- Words "including", "other", "in particular", "for example" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "without limitation".

### 2. Professional standards

2.1 Shires Accountants Limited subscribe to observe the promotion of high standards, ethical awareness and best practice set by the Chartered Institute of Management Accountants (CIMA) the Certified Public Accountants Association (CPAA) and the Chartered institute of Payroll Providers (CIPP). As part of these standards, engagement terms are issued and agreed prior to any work being undertaken.

### 3. Applicable law

3.1 Our engagement letter, any schedules of service and these terms of business are governed by, and interpreted in accordance with, English law. Each party agrees that The Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning our Letter of Engagement and Terms of Engagement and any matter arising from them. Each party irrevocably waives any right it may have to object to any action being brought in those courts, to claim that the action has been brought in an inconvenient forum, or to claim that those courts do not have jurisdiction.

### 4. Changes in the law, in practice or in public policy

- 4.1 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, public policy or your circumstances.
- 4.2 We will not accept any 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 to the fullest extent permitted by applicable law.

### 5. Acceptance

5.1 You will be deemed to have accepted the terms of this agreement and will be bound by the terms of the agreement, by any such notice given in the following manner:

- 5.1.1 An offer of service is made to you in writing by Shires Accountants Limited this may be in the form of an engagement letter, quotation or estimate which has a consideration as to cost confirmed as a fixed fee or estimated cost for the service(s) to be provided.
- 5.1.2 Your communication of acceptance of our engagement letter, quotation or estimate be confirmed to us by the following: in writing via post, by electronic correspondence such as email, verbally in person or on the telephone, or payment of fees.

5.2 Our instruction shall also be deemed by any of the follow's actions by the client:

- 5.2.1 A written request or instruction from you to us for the undertaking of services.
- 5.2.2 The presenting of papers to us from you with an intent for the company to undertake services.
- 5.2.3 As an existing client your continuing instructions to us to undertake services by any of the above or by way of renewal as clause 46.1.

5.3 You confirm that you have all the necessary powers and have obtained all the necessary authorisations, consents and approvals to enable you to enter into this agreement in a valid and lawful manner.

### 6. Agreement of Terms

6.1 These terms supersede any previous engagement terms or letter. These terms will remain effective from the date of engagement until they are replaced. You or we may vary or terminate our authority to act on your behalf at any time without penalty. However, notice of variation or termination must be given in writing. Should you not understand the scope of our engagement, please let us know in writing.

### 7. Client Identification

- 7.1 In common with professional services firms we are required to identify our clients for the purposes of UK Anti Money Laundering Regulations 2017 and the Proceeds of Crime Act 2002 (including any subsequent amendments).
- 7.2 To satisfy legislation and ourselves we are required to request from you such information and documentation as required for these purposes, we may also undertake searches on appropriate databases. You are required to prove your identity and address by means detailed in (Schedule 2 Evidence of Identity for UK Resident Individuals).
- 7.3 Politically Exposed Persons Form – We are also required to ask you whether you are, or are associated with, "Politically Exposed Persons". You will be asked to complete a PEP questionnaire attached as (Schedule 3 Politically Exposed Persons). We are obligated to retain such information and documentation for a period of 5 years.
- 7.4 We have a statutory obligation under the above legislation to report to the National Crime Agency (NCA) any reasonable knowledge or suspicion of money laundering. Any such report must be made in the strictest confidence. In fulfilment of our legal obligations, neither the firm's principals nor its staff may enter into any correspondence or discussions with you regarding such matters.
- 7.5 If we are not able to obtain satisfactory evidence of your identity or that of the beneficial owners, we will not be able to proceed with the engagement.
- 7.6 So that we may maintain information accurately please inform us within 7 days, of any changes to your name, address, e-mail address or telephone number.

### 8. Client Monies

- 8.1 We may, from time to time, hold funds on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's operating funds. The account will be operated, and all funds dealt with in accordance with Money Regulations, the Anti Money Laundering Regulations and Terrorist Financing Act 2017 and the Proceeds of Crime Act (POCA) 2002 (and any subsequent amendments).
- 8.2 The client account will be an interest bearing account however, to avoid excessive administration costs, interest will only be payable to you when the total amount of interest earned on deposited balances exceeds £25.00 in any single calendar year. Interest will be calculated using a

# Shires Accountants Limited

## Terms of Business & Engagement

normal rate applied by Barclays Bank Plc for small deposits subject to a minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.

- 8.3 If the total sum of money held on your behalf is enough to give rise to a significant amount of interest or is likely to do so, then the money will be placed in a separate interest-bearing client bank account designated to you.
- 8.4 All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.
- 8.5 We will return monies held on your behalf promptly or as soon as there is no longer any reason to retain the funds. Should any funds remain in our client account or be unclaimed and the company or individual be untraceable, or should our firm cease to practice after a period of five years we will pay the monies to a registered charity.
- 8.6 Where we receive a repayment of tax directly from HMRC on your behalf, we reserve the right to deduct full or part payment of our outstanding invoices before sending the remainder on to your nominated bank account.
- 8.7 Where we need to make payment to you it will be by electronic transfer; in some circumstances we may pay by cheque but reserve the right to deduct disbursement such as bank and postage charges from the amount payable. Whichever payment method is used we do not accept responsibility or liability for any loss for any losses arising in respect of any interception, appropriation, misuse or delay in receipt.
- 8.8 As a security measure we will ask you to confirm your bank account details including account name, sort and account number in person. If you are unable to attend in person and can only confirm details in writing, as a security measure we may ask you to do this via two separate methods, if you choose to confirm bank details electronically you do so at your own risk in accordance with clause 20.5 .
- 8.9 We will only pay monies due to the individual or company named in the transaction, we are not permitted to make payment to another individual or company on your behalf.
- 8.10 You may be asked to disclose details relating to the source of any monies paid to us, failure to disclose the source of any funds may lead to further costs, delays or us being unable to act for you.

### 9. Provision of Advice

- 9.1 Our advice on any matter is confidential and is provided for your benefit alone and solely for the purpose of the matter set out by us in the Engagement Letter. It may not be relied upon for any other purpose or by any other person. Our duty of care is to you as our client and does not extend to any third party. We are in no-way responsible for advising (or not advising) on matters outside the scope of the Engagement Letter.
- 9.2 You are responsible for providing us in a timely manner with all information and documentation that is required in order to undertake the matter set out by us in the Engagement Letter.
- 9.3 You are responsible for ensure that such information is, and remains, true and accurate in all material respects and is not misleading.
- 9.4 We are not obliged to check the accuracy or completeness of such information unless we agree to undertake an "Audit" as set out in the engagement letter.
- 9.5 If at any present or future time any matter in which we have been engaged to act for you is the subject of proceedings, whether in the courts or other tribunals, we may be required to disclose documents and communication relevant to the matter.
- 9.6 You are responsible for ensuring that you have all necessary rights to supply us with the information you provide and that our use of that information will not infringe the rights of any third party or result in a breach of any law, rule or regulation.

### 10. Commissions or other Benefits

- 10.1 In some circumstances we may receive commissions or other benefits for introductions to other professionals or in respect of transactions that we agree on your behalf. Should this happen we will notify you in writing of the amount received. Our quoted fees payable can not be reduced by the amount of commission or benefit received.

### 11. Complaints procedure

- 11.1 We are committed to providing the highest levels of service however, if you are at all dissatisfied for any reason please contact us immediately and we will do our best to try to resolve the issue. If for whatever reason you do not feel that the issue can be resolved via discussion please detail your complaint in writing and email to

[info@cheshireaccountants.net](mailto:info@cheshireaccountants.net) stating what your complaint is and how you feel it could be best resolved.

- 11.2 Hopefully your complaint can be resolved to your satisfaction and no further action will be required. If you are still not satisfied you can refer your complaint to our professional body.

### 12. Confidentiality

- 12.1 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 review. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement unless the said information is in the public domain.
- 12.2 You agree that the effective implementation of such steps or safeguards by us will provide adequate measures to avoid any real risk of confidentiality being impaired.
- 12.3 All our staff are bound by our client confidentiality terms and we may, on occasions, subcontract work on your affairs to other tax or accounting professionals these subcontractors will be bound by our client confidentiality terms and all communication between us will be confidential.
- 12.4 Should we use external or cloud-based systems, we will ensure confidentiality of your information is maintained.
- 12.5 We reserve the right for the purposes of marketing activities, training and other business activities to mention that you are a client. As stated above, we will not disclose any confidential information.
- 12.6 In order to ensure a high-quality service, our files may be subject to periodical review by an independent regulatory or quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our principals and staff.

### 13. Conflicts of Interest

- 13.1 During our engagement we reserve the right to provide services to other clients whose interests might compete with yours or may be averse to your subject of course to the obligations of confidentiality set out below.
- 13.2 We confirm that will inform you immediately should we become aware of any conflict of interest in our relationship with you or in our relationship with you and another client unless we are unable to do so because of our confidentiality obligations.
- 13.3 We have implemented safeguards to protect the interests of different clients should conflict arises. Where conflicts are capable of being addressed successfully by the adoption of further suitable safeguards to protect your interests, then we will adopt those safeguards.
- 13.4 Where conflicts are identified which cannot be managed in a way that protects all party's interests then we regret that we will have to resign our engagement.

### 14. Data Protection

- 14.1 By the nature of the accountancy activities we provide we are required to process personal data about you (and your family/business) and in doing so we shall take all reasonable steps to do this in accordance with the General Data Protection Policy 2018.
- 14.2 We will only process data for the purposes of carrying out the services set out in our engagement letter or such services instructed by you for related purposes such as updating and enhancing our client records, analysis for management purposes, statutory returns, legal and regulatory compliance and crime prevention we may obtain, process, use and disclose personal data in these circumstances.
- 14.3 In deciding how long to store data we will consider the relevant legislation and purpose or purposes we hold the information for and will only retain it for the shortest required period, when archiving or deleting data we will only do so by secure methods.

### 15. Data controller and data processor

- 15.1 During the course of providing services to you and processing personal data, we may disclose personal data to other firms that are our selected partners, a regulatory body or a third party. We may use a sub-processor and/or transfer personal data you supply to us outside the EU/EEA/UK if necessary (subject to your prior written consent, which will not be unreasonably withheld where we are a processor).
- 15.2 We will ensure all such data disclosure/transfer is compliant with relevant data protection legislation in the EU/EEA/UK and will use

# Shires Accountants Limited

## Terms of Business & Engagement

reasonable endeavours to ensure that any agreement entered into with sub-processors. Where cloud-based services are to be used you may be subject to the cloud services terms and conditions in addition any cloud storage solutions may be outside the EU/EEA/UK.

- 15.3 We confirm we have adequate security measures in place to protect personal data provided to us, including administrative, physical and technical safeguards.
- 15.4 We will notify you within 10 working days if an individual asks for copies of their personal data, makes a complaint about the processing of personal data or serves a notice from a relevant data protection authority where this relates to you. You and we will consult and cooperate with each other when responding to any such request, complaint or notice.
- 15.5 If an individual whose data you have supplied to us or which we are processing on your behalf asks us to remove or cease processing that data, we shall be entitled to do so where required by law.
- 15.6 We will answer your reasonable enquiries to enable you to monitor compliance with this clause. We will also allow for, and contribute to, audits or inspections conducted by the Information Commissioners Office (ICO) or their auditor to demonstrate compliance.

### 16. Data controller

- 16.1 We confirm that both parties to these terms and conditions are considered an independent data controller in relation to personal data and that we will each comply with the relevant provisions of applicable data protection legislation.
- 16.2 You will also ensure that any disclosure of personal data to us complies with such legislation. If you supply us with any personal data or confidential information you shall ensure you have a lawful basis to pass it to us and will fully indemnify and hold us innocent against any losses, we may incur.
- 16.3 If you are supplying us with personal data on the basis of a power of attorney for anyone, you must produce to us an original or certified power of attorney on demand.

### 17. Data processor

- 17.1 Data protection legislation places various obligations on you as a data controller where we as a data processor undertake the processing of personal data on your behalf.
- 17.2 For example: we may operate payroll service for you therefore we confirm that at all times we will use our reasonable endeavours to comply with the requirements of applicable EU/EEA/UK data protection legislation when processing data on your behalf.
- 17.3 You must also comply with applicable data protection legislation, including but not limited to, ensuring that you have all appropriate consents and notices or another lawful basis in place to enable the lawful transfer of personal data to us. You will fully indemnify and hold us blameless against any losses, we may incur.
- 17.4 Schedule 1.01a forms part of this engagement letter and sets out the subject matter and duration of the processing, the nature and purpose of the processing, the type of personal data and the categories of data subjects.

#### *As the data processor we shall:*

- Process personal data only on written instruction from you.
- Restrict data access to authorised personnel only, and who are bound by confidentiality.
- Disclose the personal data to courts, government agencies and other third parties as and to the extent required by law.
- Maintain a written record of all categories of personal data processing carried out on your behalf, including details of transfers of personal data outside of the EU/EEA/UK and a general description of the technical and organisational security measures in place in relation to personal data; and
- Delete or return all personal data to you at the completion of our engagement requiring personal data processing, subject to legal requirements to retain data.

### 18. Dealing with HM Revenue & Customs

- 18.1 When dealing with HMRC on your behalf we are required to be honest and to take reasonable care to ensure that the information and returns provided are correct. To enable us to do this, you are required to be honest with us and to provide us with all necessary information in a timely manner.

- 18.2 HMRC have a service Charter "Your Charter" it explains what you can expect from HMRC and what HMRC expect from you. For more information about 'Your Charter' please visit the below web address. <https://www.gov.uk/government/publications/your-charter/your-charter>

- 18.3 To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you and we will further ensure that our quality control procedures match or enhance the suggestions in the tax agent Toolkits so that, in the unlikely event that HMRC consider any of your tax returns with which we assist to be inaccurate, we will be able to help you demonstrate to HMRC that reasonable care has been taken in the preparation of the return, thereby significantly reducing the possibility of an inaccuracy penalty being imposed.

- 18.4 To further reduce the possibility of an inaccuracy penalty, you will remain responsible for maintaining good quality supporting records for each return, for providing us with all relevant information and explanations and for acting on any advice that we give you.

### 19. Disengagement

- 19.1 Should we terminate our engagement or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear. Should you appoint a new accountant or advisor we will normally provide a professional clearance letter confirming the discontinuing of our responsibility.

### 20. Electronic Communication

- 20.1 We comply with the requirements of the Data Protection Act 2018 and the EU General Data Protection Regulation.
- 20.2 Unless you instruct us otherwise, we may, where appropriate, communicate with you and with third parties via email or by other electronic means. We may also attach documents to email such as invoices or letters.
- 20.3 Email and internet communications are not fully secure, it is capable of data corruption and may be intercepted by third parties, and in some circumstances may not always reach its intended recipient therefore we cannot accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it.
- 20.4 When emailing us, you should follow up all important communications with a phone call to ensure receipt.
- 20.5 We do not accept responsibility for any losses, errors or problems that may arise through the use of email or internet communication and all risks connected with sending commercially sensitive information relating to you and your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that e-mail and internet communication are not an acceptable means.
- 20.6 We shall use reasonable endeavours to ensure that emails we send are free from viruses and any other materials that may cause harm to any computer system. You undertake to act likewise with any email you send to us.
- 20.7 We may monitor emails to investigate unauthorised use of our email system, or for any other purpose permitted by law. As a result, we may collect personal information about the senders and/or recipients of the email or attachments contained in the email.
- 20.8 We will never change our bank details without first confirming this to you by posted letter or letter by hand on company letterhead and signed by a director. Any internet emailed or telephone communications appearing to be from us stating changes to our bank details are fake and we accept no liability for any loss caused to you through accepting such communications as genuine.

### 21. Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards

- 21.1 Unless specifically agreed in a separate engagement letter and signed by a director of Shires Accountants Limited, 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.

# Shires Accountants Limited

## Terms of Business & Engagement

21.2 However, if requested to do so we can provide advice on the completion of the forms supplied by Financial Institutions under these Regulations, or under Common Reporting Standards, and used by them to determine the status of an entity. We can also provide advice on setting up the appropriate systems to identify and report on your clients or beneficiaries who are foreign citizens affected by FATCA or Common Reporting Standards.

### 22. Portal based services - Our responsibilities as accountants

- 22.1 We will provide a voluntary subscription client portal service to allow for secure exchange of documents between the firm and our client, as well as ongoing client access to certain documents (which may include confidential documents) created or maintained by the firm.
- 22.2 We undertake to ensure the Cloud Supplier has signed a confidentiality agreement with the firm to ensure compliance with the relevant clauses in the firm's standard terms of business concerning our fees, confidentiality, internet communication, the Data Protection Act and general limitation of liability.
- 22.3 We will keep all passwords and login details secure, and only disclose to staff that require access.
- 22.4 The firm cannot be held liable for any failures to deliver services due to transmission errors or unavailability of telecoms networks, or due to the failure or unavailability of any Cloud Supplier infrastructure. We are also not liable for any loss of or corruption to your data or if the service is interrupted due to your breach of Cloud Supplier terms. However, we will liaise with them to help ensure that normal service is resumed as soon as possible.
- 22.5 On receiving notification of the decision to cease using our services, we will immediately cancel all user access to your portal and discuss with you the way ahead.
- 22.6 We reserve the right to modify these terms and conditions under which the portal is offered and will provide you with due notice before implementation.

### 23. Portal and cloud-based services - Your responsibilities

- 23.1 You are responsible to control which documents are uploaded to the portal and for removing them when they are no longer required.
- 23.2 If you need to upload/process personal data, you will provide us with appropriate contractual assurances that you have secured consents to do so.
- 23.3 You are required to keep all passwords and login details secure and not to share with others.
- 23.4 You provide your assurance to use the system for acceptable use only: This includes:
- 23.4.1 not to transmit any viruses, Trojans, key loggers or other harmful code.
  - 23.4.2 not to transmit any unlawful information, content or images.
  - 23.4.3 not to allow any third party to access to the service and to only use the service as in accordance with Shires Accountants limited.
- 23.5 In addition, you are responsible for ensuring that your IT network and systems meet any necessary performance requirements of the portal and that you are maintaining your IT network to an acceptable standard.
- 23.6 Should one of your staff members who has access to the portal leaves, you are responsible for immediately requesting asking us to remove their user id and password.
- 23.7 Should you decide to disengage the services of Shire Accountants limited, you must inform us immediately to terminate the Cloud Portal, failure to so may incur additional charges.

### 24. Cloud based services - Our responsibilities as accountants

- We partner most professional cloud-based accounting software suppliers and we are happy to assist you with the selection of the specific accounting software supplier that is appropriate to your business needs, though the final decision is yours.
- 24.1 Payment for the provision of cloud accounting software can either be via us or directly to the supplier however in both circumstances you will be invoiced each month monthly in advanced.
- 24.2 Whilst we will have access to your accounting system hosted by the Cloud Supplier, we would emphasise that we cannot undertake to discover any deficiencies in third-party software, your systems or any irregularities on the part of your employees or others.
- 24.3 We undertake to ensure the Cloud Supplier has signed a confidentiality agreement with the firm to ensure compliance with the relevant clauses in the firm's standard terms of business concerning our fees,

confidentiality, internet communication, the Data Protection Act and general limitation of liability.

- 24.4 We will keep all passwords and login details secure, and only disclose to staff that require access.
- 24.5 The firm cannot be held liable for any failures to deliver services due to transmission errors or unavailability of telecoms networks, or due to the failure or unavailability of any Cloud Supplier infrastructure. We are also not liable for any loss of or corruption to your data or if the service is interrupted due to your breach of Cloud Supplier terms. However, we will liaise with them to help ensure that normal service is resumed as soon as possible.
- 24.6 If you wish to disengage from this service, on giving the notice period of 30 days, we will liaise with the Cloud Supplier for you to receive a back-up of your data as at the end of the notice period, subject to you meeting their conditions.

### 25. Cloud based services - Your responsibilities

- 25.1 You are responsible for choosing which Cloud Supplier and specific accounting software you require to be hosted on the Cloud and you are responsible for the maintenance of your accounting records on the Cloud.
- 25.2 You shall pay your monthly fee on a timely basis (monthly in advanced) to ensure continued provision of the service by the Cloud Supplier. Should there be a delay in payment of the fee according to the Cloud Suppliers or Shires Accountants limited credit terms (as applicable) we reserve the right to withdraw the service until our fees have been paid.
- 25.3 You shall enter into a Service Level Agreement with the Cloud Supplier regarding the uptime availability and the provision of maintenance, support and security, in particular the frequency of back-ups provided. Should you have any concerns on these matters, please let the supplier know before entering into the contract.
- 25.4 If you need to process personal data, where necessary you will provide us with appropriate contractual assurances that you have secured consents to do so.
- 25.5 You will be obliged to keep all passwords and login details secure and not to share with others.
- 25.6 You provide your assurance to use the system for acceptable use only: This includes:
- 25.6.1 not to transmit any viruses, Trojans, key loggers or other harmful code.
  - 25.6.2 not to transmit any unlawful information, content or images.
  - 25.6.3 not to allow any third party to access to the service and to only use the service as in accordance with Shires Accountants limited.
- 25.7 In addition, you are responsible for ensuring that your IT network and systems meet any necessary performance requirements of the portal and that you are maintaining your IT network to an acceptable standard.
- 25.8 Should you decide to disengage from the cloud service you are required to give 30 days' notice and we will liaise with the Cloud Supplier for you to receive a backup of your data at the end of the contract period, subject to meeting their terms and conditions failure to so may incur additional charges.

### 26. Exclusivity of staff

- 26.1 It is agreed by each party that no direct or indirect approach will be made to the other parties staff members for the intention of inducing them to become either directly or indirectly members of staff without the prior notification to, and agreement given by the respective parties.
- 26.2 If it is found that staff have been so employed without the appropriate notification and agreements been given, it is agreed that compensation amounting to 50% of that employee's total annual salary (inclusive of Employers' National Insurance) will be payable.

### 27. Fees

- 27.1 Our fees are calculated either by the following means
- 27.1.1 A Fixed Fee cost
  - 27.1.2 The basis of time spent on your affairs
  - 27.1.3 An hourly rate
- 27.2 In all circumstances our fees will be determined by the required time to be spent on the assignment by the principles and staff and on the levels of skill and responsibility involved.
- 27.3 Should we be engaged on an assignment on an hourly rate or the basis of time spent on your affairs, we will endeavour to confirm an anticipated cost in a quotation prior to commencing the work.
- 27.4 All fee quotations are valid for 30 days.

# Shires Accountants Limited

## Terms of Business & Engagement

- 27.5 Our fees are exclusive of VAT which will be added where it is chargeable.
- 27.6 We recommended that you provide full information relating to your business and income prior to us carrying out any accounting work to avoid additional costs.
- 28. Fixed Fees**
- 28.1 It is not our practice to offer fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events.
- 28.2 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.
- 28.3 All fixed fees are quoted based on you accurately recording all transactions in our spreadsheet or on any recognised bookkeeping system. This means that all bank balances, assets and liabilities are recorded accurately within your bookkeeping system.
- 29. Fixed fees do not include bookkeeping.**
- 29.1 If your bookkeeping is not complete and accurate, or if your bookkeeping does not give a calculations for the production of a trial balance for us to work from, then it will be necessary for us to carry out some bookkeeping prior to preparing returns, year-end accounts or management accounts. Bookkeeping will be charged at our prevailing rates per hour depending on the level of skill required for the work. The cost for bookkeeping will be confirmed to you prior to us undertaking any work and will be invoiced separately in addition to any fixed fee quoted.
- 29.2 Fixed fees do not include resolving problems, correcting work or recalculating work that has been carried out by you or your previous agents for past years. If it is found such work is required, we would discuss the situation and additional fees with you prior to carrying out any such work.
- 29.3 When preparing accounts or returns under a fixed fee arrangement we will make one set of amendments you require, and issue one full set of revised accounts and tax returns with no additional charge. If further information is provided after we have prepared the revised accounts, we will charge an agreed charging rate for such amendments before providing further revised accounts.
- 29.4 If work is required which is outside the scope of our engagement letter, we will conclude a separate engagement letter stating the required works for which the additional fees are to be chargeable.
- 29.5 No additional work will be undertaken without prior written agreement and we will issue invoices upon completion of our duties for the period of engagement.
- 29.6 Our Invoice terms are generally strictly 14 days; however, some invoices are payable on presentation (such as payments on account) all invoices must be settled on what we deem as draft completion of the works prior to any submissions to third parties.
- 29.7 Our invoice(s) shall only be deemed as settled as payment of cleared funds into our nominated bank account. Payment must be in made British Pounds Sterling.
- 29.8 Our invoice(s) will include a description of the work undertaken to date and should we incur any cost for disbursements in connection with the engagement these will be detailed and added to the invoice.
- 29.9 By written prior agreement we are able to provide clients with payment options for various services such as payments on account and monthly standing order payments for the undertaking of forthcoming work detailed in the letter of engagement. Payment will be applied to fees arising from work for the current and ensuing years.
- 29.10 Our preferred invoice settlement method is bank transfer to the company's nominated bank account, however, should the you require to make payment via cheque we shall be entitled to add a minimum charge of £1.50 per cheque to cover our additional bank charges.
- 29.11 Should you not accept that our invoice is fair and reasonable you must notify us in writing within 14 days of the invoice date, failure to do so will deem that you accept the invoice and payment will remain due.
- 29.12 If a client company or other entity is unable or unwilling to settle our invoice(s) we reserve the right to seek payment directly from the individual or a parent company instructing us to act on behalf of the client. We shall be entitled to enforce any sums due against the individual or group company or other entity that nominated us to act, including personally any other directors of the limited company that has agreed the engagement.
- 29.13 We may exercise our statutory right to claim interest at a rate of 6 percent and compensation for debt recovery costs under the late payment legislation if we are not paid according to agreed credit terms. All legal and court costs will be payable by you.
- 29.14 All sums payable to us under the terms of engagement shall become due and immediately payable upon termination, notwithstanding any other provisions contained within these terms of engagement. This condition is without prejudice to any right to claim interest in accordance with the above clause.
- 29.15 We may set off any liability that you may have to us against any liability that is owed by us to you.
- 29.16 You may not set-off, withholding or make any deduction from our invoice except as required to deduct or withhold by law.
- 30. Suspension of Services**
- 30.1 Should we agree to extend invoice terms to you, and you fail to settle in full our invoice within the invoice terms or our invoice becomes 30 days or more overdue Shires Accountants limited may without limiting its other rights and remedies under this engagement or any other agreement with you suspend all services to you until such amounts are paid in full and accelerate all unpaid invoice obligations so that all such obligations become immediately due and payable.
- 31. Force Majeure**
- 31.1 We shall have no liability to you under the terms of engagement if we are prevented from or delayed in performing our obligations under the Terms of Engagement or from carrying on our business by acts, events, omissions or accidents beyond our reasonable control, including strikes, lock-outs or other industrial disputes (whether involving the workforce of or the workforce of a supplier or any third party), failure of a utility service or transport network, act of God, inclement weather war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or sub-contractors.
- 32. Invalidity**
- Except where the context otherwise requires, each of these provisions shall be regarded as independent of each other, so that if any such provision or the application of any such provision to any entity or to any circumstance is found to be invalid or unenforceable, then such finding will not affect any other provisions or the application of such provisions to any entity or circumstance.
- 33. Intellectual Property**
- 33.1 All intellectual property rights in documents and materials generated by us in connection with the engagement shall be owned by Shires Accountants Limited.
- 34. Insurance**
- 34.1 In accordance with disclosure regulations our professional indemnity insurer is with Hiscox Professional Insurance. The same insurer administers the company's public and employer's liability insurance. Policy details are available on request.
- 35. Investment Advice**
- 35.1 Investment business is regulated Financial Services and Markets Act 2000, If during the provision of professional services, you require advice on investments business including insurances, we may have to refer you to someone who is authorised to offer this advice as we are not.
- 36. Internal Client Disputes**
- 36.1 Should we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of a business, it should be noted that our client is the "business" and we would not provide advice or services to one party without the express knowledge and permission of all parties.
- 36.2 Unless otherwise agreed by all parties we will continue to supply information to the registered office/normal place of business for the attention of the directors/proprietors. If conflicting advice, information or instructions are received from different directors/principals in the business we will refer the matter back to the board of directors/the partnership and take no further action until the board/partnership has agreed the action to be taken.

# Shires Accountants Limited

## Terms of Business & Engagement

### 37. Intellectual property rights and use of our name

37.1 We will retain all intellectual property rights in any document prepared by us during the course of carrying out the engagement except where the law specifically states otherwise. You may only use such rights to the extent we agreed when engaged to provide services to you and may not resell or sublicense such rights without our further prior consent.

37.2 You are not permitted to use our name in any statement or document that you may issue unless our prior written consent has been obtained. The only exception to this restriction would be statements or documents that in accordance with applicable law are to be made public.

### 38. Interim and draft work including oral advice

38.1 In the course of our services to you we may provide advice or reports or other work products in draft or interim form, or orally. However, final written work products will always prevail over any draft, interim or oral statements. Should you request it, we will provide you with written confirmation of matters stated orally, we reserve the right to charge from for written confirmation of oral advice.

### 39. Interpretation

39.1 If any provision in these Terms of Business or any associated schedules of service, or its application, are found to be invalid, illegal or otherwise unenforceable in any respect, the validity, legality or enforceability of any other provisions shall not in any way be affected or impaired.

39.2 In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

### 40. Limitation of liability

40.1 We will perform our engagement with reasonable skill and care, however, should we be liable to you including any liability for the acts or omissions of our employees in respect of any breach by us of the engagement terms, then our liability shall be limited as follows:

40.2 The total aggregate liability to the company and the Board of Directors, as a body, of whatever nature, whether in contract, tort or otherwise of Shires Accountants Limited, Chartered Certified Accountants for any losses whatsoever and howsoever caused arising from or in any way connected with this engagement shall not exceed the quoted fee rendered in our engagement letter (exclusive of VAT).

40.3 However, to the fullest extent permitted by law, we will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities where you or others supply incorrect or incomplete information, or fail to supply any appropriate information or where you fail to act on our advice or respond promptly to communications from us or the tax authorities. Further, we will not be liable to you for any delay or failure to perform our obligations if the delay or failure is caused by circumstances outside our reasonable control.

40.4 You will not hold us, our principal(s)/director(s), shareholders and staff, responsible, to the fullest extent permitted by law, for any loss suffered by you arising from any misrepresentation (intentional or unintentional) supplied to us either orally or in writing. This applies equally to fraudulent acts, misrepresentation or wilful default on the part of any party to the transaction and their directors, officers, employees, agents or advisers. However, 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.

40.5 You agree that you will not bring any claim in connection with services we provide to you against any of our partners, shareholders, directors or employees personally.

40.6 Our work is not, unless there is a legal or regulatory requirement, to be made available to third parties without our written permission and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them. 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 and our legal fees on an indemnity basis.

40.7 Nothing in this agreement shall exclude or limit our liability for death or personal injury caused by negligence nor for fraudulent misrepresentation or other fraud which may not as a matter of applicable law be excluded or limited.

### 41. Limitation of third-party rights

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

41.2 The advice we give you is for your sole use and is confidential to you and will not constitute advice for any third party to whom you may communicate it, unless we have expressly agreed in writing that a specified third party may rely on our work. We will accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, your spouse nor any family member of yours or your employer, for any aspect of our professional services or work that is made available to them.

### 42. Lien

42.1 Insofar as we are permitted to do so by law or by professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

42.2 In the event that we cease to act in relation to your or your company's affairs you agree to meet all reasonable costs of providing information to you or the new advisers. In particular you agree to meet these costs where we are required by law to provide information to a successor firm.

### 43. Probate services

43.1 We are not licensed or authorised for the reserved legal activity of non-contentious probate, any work we do for you on closely aligned activities, such as estate administration or inheritance tax advice, will not be covered by the ICAEW Probate Compensation Scheme and you will not have access to the Legal Ombudsman, nor is our advice covered by legal professional privilege.

### 44. Retention of records

44.1 During the course of our work we will collect information from you and others acting on your behalf and will return any documents to you following preparation of your return.

44.2 You have a legal responsibility to retain documents and records relevant to your financial affairs. During the course of our work we may collect information from you and others relevant to your tax and financial affairs and we will return these documents to you if requested.

44.3 Documents and records relevant to your tax affairs are required by law to be retained as follows:

44.3.1 **Individuals, trustees and partnerships:** must keep records for at least five years after the January submission deadline of the relevant tax year.

44.3.2 **Companies, Limited Liability Partnerships, and other corporate entities:** must keep records for at least six years from the end of the accounting period.

44.4 These periods may be extended by HMRC and further periods may be subject to enquiry should HMRC want to examine your affairs.

44.5 Although certain documents may legally belong to you, we may destroy correspondence and other papers that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must notify us in writing if you wish us to keep any document for a longer period.

44.6 We also reserve the right to charge a storage fee in respect of any documents retained on your behalf.

### 45. Quality of Service

45.1 We are committed to providing you with a high-quality service that is both efficient and effective. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know, by emailing [david@cheshireaccountants.net](mailto:david@cheshireaccountants.net).

# Shires Accountants Limited

## Terms of Business & Engagement

- 45.2 We undertake to look into any complaint carefully and promptly and do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may of course take up the matter with our professional body.
- 45.3 In order for us to provide you with a high quality service on an ongoing basis it is essential that you provide us with relevant records and information when requested, reply to correspondence in a timely manner and otherwise follow the terms of the agreement between us set out in this Standard Terms of Business and associated Engagement schedules.
- 45.4 We reserve the right to cancel our engagement as your agent with immediate effect in the event of:
- 45.4.1 your insolvency, bankruptcy or other arrangement being reached with creditors.
- 45.4.2 failure to pay our fees by the due date
- 45.4.3 either party being in breach of their obligations where this is not corrected within 30 days of being asked to do so.
- 46. Renewal**
- 46.1 Our engagement under these terms may be automatically be renewed at the expiry of the initial engagement period and will automatically renew for an additional period equal to the expiring engagement term unless terminated in writing by the client in line with any notice period.
- 47. Recording and monitoring of communication**
- 47.1 We are committed to providing you with a high-quality service therefore we may record and/or monitor telephone calls, emails and any other communications between you and us (and/or our affiliates) for the purposes of security, training, quality control, service improvement and our lawful business purposes.
- 48. Term and Termination**
- 48.1 Term**
- 48.1.1 The terms of this agreement shall apply from the commencement date as detailed in your acceptance communication, if there is no commencement date specified the date of acceptance shall be the date specified in the engagement letter or quotation.
- 48.2 Our engagement shall remain in effect for the duration of undertaking the service requirements as detailed in the engagement letter or quotation and the provisions of this agreement will continue to apply to such services are concluded.
- 48.2.1 Payroll Services - The agreement term shall be for a minimum period of twelve (12) months commencing from the first week or month of tax records maintained on behalf of the client and shall continue until 31 March proceeding the initial 12 months.
- 48.2.2 Accountancy services (i.e. accounts, tax returns, VAT) - The agreement term shall be for the duration of undertaking the service requirements as detailed in the engagement letter or quotation.
- 48.2.3 Bookkeeping and other services - The agreement term shall be for the duration of 30 days.
- 49. Termination**
- 49.1 Either Party may terminate this Agreement if:  
The other Party is in repudiatory breach of this agreement and fails to remedy the breach (if capable of remedy) within 7 days of written notice of the breach being given by the party not in breach or persistently breaches of any of its obligations under this agreement.
- 49.2 The other party ceases to conduct business in the normal course, becomes unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986, has a receiver, manager, administrator or administrative receiver appointed over all or any part of its undertaking, assets or income, passes a resolution for its winding up, or the other party enters into any composition or arrangement (whether formal or informal) with its creditors;
- 49.3 The client may terminate this agreement at any time during the agreement term providing:
- 49.3.1 the required written notice period is given to Shires Accountants limited and all outstanding contractual liability has been met as under 48.2.1, 48.2.2, 48.3.3.
- 49.3.2 all services performed and or provided by us as at the date of termination have been settled in full.
- 49.3.3 all materials used and for any third-party goods and services supplied in connection with the provision of the services have been settled in full.
- 49.41 Outstanding Payroll liability shall be calculated on the basis of: an average of previous monthly service costs multiplied by the number of contracted months outstanding to the end of the agreement. Or
- 49.4.2 any documents confirming the company's average monthly service charges multiplied by the number of anticipated staff members and the number of contracted months outstanding to the end of the agreement.
- 49.5 Shires Accountants limited may terminate this agreement forthwith if: any circumstances whatsoever beyond the reasonable control of the company (including but not limited to the termination of the service through no fault of the Shires Accountants limited) arise that necessitate for whatever reason the termination of the provision of services.
- 49.6 Shires Accountants limited shall retain any sums already paid to us without prejudice to any other rights they may have under UK law or otherwise.  
We reserve the right to terminate this agreement if our invoice becomes more than 30 days overdue.
- 50. Rights on Termination**
- 50.1 Any termination of this agreement is without prejudice to the rights of one party against the other party in respect of any acts or omissions under this agreement prior to termination, or in respect of any sums that remain outstanding at the time of termination. For the avoidance of doubt, Shires Accountants limited reserves the right to invoice you and you are obliged to pay for any services performed prior to the termination of this agreement.
- 51. Payroll Agent Services**
- 51.1 Whereby you the client have engaged Shires Accountants limited to provide Payroll Services (in any form)  
you agree that, the provisions set forth below will be deemed to be part of our Standard Terms of Business and Engagement.
- 51.2 All the provisions of our Standard Terms of Business and Engagement will remain in full force and effect however, in the event of any inconsistency or conflict between the provisions of this Addendum and our Standard Terms of Business and Engagement, the terms and conditions of our Standard Terms of Business and Engagement shall govern and control except where the provision explicitly relates to Payroll.
- 51.3 In the undertaking of Payroll Services to you we solely act in the capacity of "Payroll Agent" on behalf of you as our client.
- 51.4 As "Payroll Agent", we are in no way party to any employment arrangement entered into between you and your employee(s) and is therefore not responsible for fulfilling any statutory obligation or making any statutory payment that may arise as a consequence of the relationship between employer and employee.
- 51.5 We will only act as "Payroll Agent" in respect of your employees who are resident in the UK and who are UK taxpayers.
- 51.6 We shall only provide a payroll service subject to the prevailing regulations stipulated by HM Revenue & Customs in force from time to time. These include all staff employment regulations and rules governing Director status.
- 51.7 You must provide full and accurate information concerning their organisation and staff and we will not be held responsible or bear any liability for any consequences that may arise as a result of any incorrect information presented by you.
- 51.8 You must provide us with the required accurate payroll information on the administering date which is:
- 51.8.1.1 Five working days before the pay date for payroll processing only.
- 51.8.1.2 Eight working days before the pay date for full payroll processing. (full payroll processing means where salary payments are made via BACS transfer to your employees by Shires Accountants limited).
- 51.9 For weekly paid employees you must provide us with the required accurate payroll information on or before the administering date which is two working days before the pay date.
- 51.10 Should the you need to inform us of any material staff information variations (e.g. employment arrangements, bank account or address changes) these should also be provided by you the Client on or before the administering date.
- 51.11 All Client payroll information must be recorded on the relevant Shires Accountants limited documentation which will be provided to you.
- 51.12 Where information is provided late or inaccurate by the Client and as such requires us to make changes to the documentation especially where it results in an amount of extra work for us (e.g. amending client

# Shires Accountants Limited

## Terms of Business & Engagement

- records, reissuing payslips or resubmit statutory forms to the Inland Revenue etc), Shires Accountants limited reserves the right to charge additional fees to cover the additional work incurred.
- 51.13 We will only discuss or correspond with your nominated payroll representative; we will not discuss Payroll queries with individual employees unless specifically requested by the you in writing.
- 51.14 In the event of a dispute arising between you and your employee(s), Shires Accountants limited will only act on your instructions. However, factual payroll information will not be unreasonably withheld from an employee as employees have a statutory right to access to their PAYE records.
- 51.15 Shires Accountants limited reserves the right to counsel you the Client where a proposed course of action is in or may be in breach of their statutory obligations as an employer and may refuse to carry out any such instructions from you. Should this be the case and you not agree our counsel we will process the Payroll information received from you the Client but will not be held liable for any inaccurate processing or penalties caused by the provision of inaccurate information or computations.
- 51.16 In the course of full pay services Shires Accountants limited will only process pay information received from the Clients nominated payroll representative, however, from time to time should the Client want to appoint another representative they must confirm such in writing to us. However, in all circumstances we will process the Payroll and provide a copy of the processed information to the nominated Payroll representative for authorisation.
- 51.17 The Client must notify us in writing of the name of the authorised person (or persons) who are authorised to inform us of changes to either employee personal data or Payroll processing data, also of the person (or persons) who is authorised to approve the bank transfers.
- 51.18 Shires Accountants limited will not bear any responsibility for HMRC penalties or interest charges that may arise as a consequence of failure on a client's part to make income tax or National Insurance liability payments due by dates notified to that client subscriber either by us or by the HMRC.
- 51.19 Shires Accountants limited will not bear any responsibility for HMRC penalties or interest charges that may arise as a consequence of the Client's failure to make information available to us which would affect or delay the submission to HMRC of statutory returns by the relevant due dates.
- 51.20 Shires Accountants limited will not accept liability for any overpayment or underpayment of wages incurred as result of an error in processing it is the Client's responsibility to instruct us as to pay rates and payment recipients. It is further the Client's responsibility to check payslips and other records received from us to ensure that the Client instructions have been correctly processed before authorising.
- 51.21 Shires Accountants limited will not be held liable for any loss or damages, directly or indirectly arising from the failure of any party to receive information where such failure is due to electronic transmission, the postal service or software failure or any other circumstances over which Shires Accountants limited has no direct control. It is your responsibility to contact us if information you are expecting has not been received within a satisfactory time scale or before any due date deadline.
- 51.22 Where salary payments are made by Bank transfer by us on the Client's behalf all amounts payable to staff, HMRC and other relevant third parties must be as cleared funds in the nominated bank account of Shires Accountants limited by the final authorisation date which is no later than three (3) working days prior to the Client pay date.
- 51.23 Shires Accountants limited will not process any Bank transfer received from a Client until it has received authorisation in the prescribed form from the Client's nominated payroll representative and will not be held liable for late payment of employees caused through late authorisation.
- 51.24 Where Shires Accountants limited undertakes salary payments by Bank transfer on the Client's behalf the Client must inform us in writing on the relevant paperwork of any changes to its payroll by the administering date, should any changes be required following this date we will endeavour to make the said changes but will not be held liable for any payments made in error where the error is caused by late notification by the Client of changes to the payroll.
- 51.25 Shires Accountants limited will not bear any responsibility for retrospective HMRC penalties or interest charges or any liability that may become due as a consequence of retrospective late-filing or a declaration prior to our appointment.
- 51.26 Shires Accountants limited will make reasonable effort to ensure that the Client is aware of the Tax and National Insurance implications of their proposed or actual employment arrangements under the PAYE system however, Shires Accountants limited will not bear any responsibility for liabilities that may arise out of the Client's unfamiliarity with how the PAYE system operates or the Client's individual employment arrangements.
- 51.27 Under the scope of Payroll processing services Shires Accountants limited does not provide a tax advisory service and as such will not be held responsible for any additional tax or national insurance liability incurred as a consequence of the Client's failure to take or follow professional advice.

## **SCHEDULE A – PAYROLL SERVICES**

This Schedule A should be read in conjunction with our standard terms of business and engagement.

### **Recurring compliance work**

1. From the information provided by yourselves, 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.
- 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 other statutory and non-statutory deductions; and
- Submitting information online to HMRC under RTI for PAYE.

2. 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.
- Full Payment Submission (FPS) for taxable pay for each employee.
- A payslip for each employee unless not required.
- A P45 for each leaver; and
- A report showing your PAYE and NIC liability and due date for payment.

3. 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 payday.)

4. 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.

5. 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.)

6. 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.)
- Prepare and send to you by the statutory due date Form P60 for each employee on the payroll at the year end.

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

## **Payroll Ad hoc and advisory work**

8. 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 such work when it is commissioned by you. Examples of such work include:

- Dealing with any compliance check or enquiry by HMRC into the payroll returns.
- Preparing any amended returns for periods before you report in real time, which may be required, and corresponding with HMRC as necessary.
- Preparing and submitting correcting EPSs for earlier years.
- submit National Insurance Number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

9. Where specialist advice is required on occasions, we may need to seek this from or refer you to appropriate specialists.

## **Changes in the law**

10. 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.

11. 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

## **Your responsibilities**

12. You are legally responsible for:

- Ensuring that the data in your payroll submissions is correct and complete.
- Making any submissions by the due date; and
- Making payment of tax and NIC on time.

We must receive salary information to process:

- For Full Payroll clients: monthly paid staff: 8 working days prior to your pay date
- For Monthly paid staff: 5 working days prior to your pay date
- For Weekly paid staff: 2 working days prior to your pay date

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

Employers cannot delegate this legal responsibility to others. You agree to check that submissions that we have prepared for you are correct and complete before you approve them.

## **13. 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 within the timescales as detailed in our engagement letter and our standard terms of business and engagement.
- To provide full information necessary for dealing with your payroll affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents within the timescales as detailed in our engagement letter and our standard terms of business and engagement.

- To agree with us the names of the persons authorised by you to notify us of changes in employees and in rates of pay. We will process the changes only if notified by that/those individuals.
- To advise us in writing of changes of payroll pay dates.

14. To notify us within the time scales as detailed in our engagement letter and our standard terms of business and engagement prior to 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, national insurance number, passport number) and details of their remuneration packages.
- all leavers, including deaths of employees, and details of termination arrangements.
- all changes to remuneration packages.
- all pension scheme changes.
- any changes to the employees' bank accounts.
- irregular and/or ad hoc payments and the dates to be paid.

**15. To approve:**

- in-year FPS by at least 5 working days prior to payroll pay dates so that they can be submitted on or before payday, or as agreed with us.
- in-year EPS by at least 5 working days prior to 19th of the month following the tax month.
- final FPS (or EPS when applicable) for the year at least 5 working days prior to 19 April following the end of the tax year.
- EYU within 5 working days; and

16. To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.

17. 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 its significance.

18. 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 agreed payroll date and filing deadlines but we will not be liable for any costs or other losses arising if the payroll is late or the returns are filed late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.

19. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions. These are important provisions which you should read and consider carefully.

**EXTENSION TO SCHEDULE A**

**BENEFITS-IN-KIND - FORMS P11D, P9D, DECLARATION P11D (B) AND CLASS 1A NI**

This schedule should be read in conjunction with the engagement letter and the standard terms and conditions. Instructions to act It is your responsibility to inform us in writing whether you have paid any benefits-in-kind to your employees. If you do pay benefits-in-kind to your employees and you wish us to assist you with the preparation of the necessary returns to HMRC then you will need to specifically instruct us and we will agree with you in writing our fee for assisting with this matter.

The preparation of benefit-in-kind returns, P11D, P9D are not included in the payroll fee.

Where we are instructed the following shall apply:

### **Recurring compliance work**

1. Where you have instructed us to do so we will prepare/review forms P11D and P9D as may be required for each employee including directors based on the accounts, information and explanations provided to us on your behalf.
2. We will submit the forms P11D and P9D with the form P11D (b) after the form P11D (b) has been signed by you.
3. We will prepare and send to you the P11D information for you to forward to your employees and directors by the statutory due date.
4. 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.

### **Ad hoc and advisory work**

5. 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 such work when it is commissioned by you. Examples of such

#### **work include:**

- Dealing with any straightforward enquiry opened into the benefits-in-kind returns by HMRC. More detailed enquiries may be the subject of a separate engagement.
- Preparing any amended returns which may be required and corresponding with HMRC as necessary.
- Advising on Dispersations and PAYE Settlement Agreements; and
- Conducting PAYE and benefits health checks.

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

### **Changes in the law**

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.
8. 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

### **Your responsibilities**

9. 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 and P9D 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 interest, penalties and/or surcharges.

10. 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 complete before he/she approves and signs them.

**11. 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 returns: 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 10 working days after the end of the tax year of all transactions or events which may need to be reflected in the forms P11D and P9D for the period, including details of all employees during the year and details of their remuneration packages: and
- 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.

12. If the information required to complete the benefits-in-kind returns set out above is received more than 20 working 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 submission is late in these circumstances. We may charge an additional fee in such circumstances.

**SHIRES ACCOUNTANTS LIMITED - SCHEDULE B - VAT RETURNS**

**CLIENT SERVICES**

This Schedule B should be read in conjunction with our engagement letter and our standard terms of business and engagement.

**1 Instructions to act**

1.1 Not all clients receiving this engagement pack will require us to assisting with their VAT returns; it may be for instance that they are not VAT registered or that they only require us to provide year end statutory accounting, other tax services or bookkeeping services.

1.2 Where you are VAT registered and you have asked us to assist you with the preparation of your VAT returns then we will have agreed with you a fee for that service in writing. Your acceptance to our fee proposal will represent instructions for us to provide a VAT return service, in which case the following shall apply:

**2 Recurring compliance work**

2.1 We will prepare/review your monthly/quarterly/annual VAT returns and if applicable EC Sales lists 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 has been paid late.

2.3 Where appropriate we will calculate the partial exemption annual adjustment.

2.4 Where appropriate we will calculate the annual Capital Goods Scheme adjustment.

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.

### **3. Your responsibilities**

3.1 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.

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

3.3 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.

3.4 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/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.
- That we can approach such third parties as may be appropriate for information we consider necessary to deal with the VAT returns; and
- To provide us with all the records relevant to the preparation of your monthly/quarterly VAT returns as soon as possible after the return period ends. We would ordinarily need a minimum of 14 working days before submission to complete our work. If the records are provided later or are incomplete or unclear thereby delaying the preparation/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 an additional fee for so doing.

3.5 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.

3.6 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.

3.7 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.

3.8 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.

3.9 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 any that you are not completely satisfied with, with HMRC.

3.10 Our services as set out above are subject to the limitations on our liability as set out in our standard terms of business and engagement. These are important provisions which you should read and consider carefully.

#### **4. VAT Ad hoc and advisory services**

4.1 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. Examples of such work include:

- Reviewing and advising a suitable partial exemption method to use in preparing the return
- Dealing with all communications relating to your VAT returns [Intrastat returns/EC Sales List returns] addressed to us by HMRC or passed to us by you.
- Making recommendations to you about the use of cash accounting, annual accounting, flat rate and other suitable methods of accounting for VAT; and
- Providing you with advice on VAT [Excise Duty/Customs Duty/Landfill Tax/Insurance Premium Tax/Aggregates Levy/Climate Change Levy] as and when requested. Where the advice is provided in writing, the information provided, and the query raised will be set out with our response to you

4.2 Where specialist advice is required in certain areas, we may need to seek this from a partner, director or other associate, in some circumstances we may refer you to appropriate specialists.

#### **5. Changes in the law**

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

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

## **SHIRES ACCOUNTANTS LIMITED - SCHEDULE C - BOOKKEEPING**

### **CLIENT SERVICES**

This Schedule C should be read in conjunction with our engagement letter and our standard terms of business and engagement.

#### **1 Instructions to act**

1.1 Not all clients receiving this engagement pack will require us to assist with their bookkeeping, it may be for instance that they prepare their own bookkeeping and only require us to assist with their yearend statutory accounting or VAT.

1.2 Where you have asked us to assist with your bookkeeping and we will have agreed with you a fee for that service in writing. Your acceptance to our fee proposal will represent instructions for us to provide a bookkeeping service, in which case the following shall apply:

#### **2 Your responsibility for the provision of information**

2.1 You have undertaken to make available to us, as and when required, all the accounting records and related financial information, including minutes of management meetings, which we need to do our work. You will provide us with all information and explanations relevant to the purpose and compilation of the accounting records, and you will disclose to us all relevant information in full.

2.2 You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the accounting records, is accurate and complete. You are also responsible for ensuring that the activities of the business are conducted honestly, and for safeguarding the assets of the business and for taking reasonable steps to prevent and detect fraud and other irregularities.

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

#### **3 Our responsibilities**

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

- write up the accounting records of the business and.
- complete the postings to the nominal ledger.

#### **4 Your responsibilities**

4.1 At the outset of a bookkeeping engagement we will agree with you what prime records you will need to keep and when you need to provide those records to us.

4.2 You have agreed that you or your staff will:

- Keep an adequate record of all receipts and payments, whether credit card, bank or cash.
- Keep and supply to us all bank and credit card statements, written up cheque stubs and paying in books.
- Provide us with all sales invoices and all purchase invoices. These should be marked clearly as whether paid or unpaid and where paid the payment method (bank, cash, credit card).
- Raise you sales invoices and perform credit control.
- Reconcile your petty cash account on a weekly basis and provide us with a copy of the reconciliation.

- If appropriate, reconcile your till at the end of each day and provide us with a copy of the reconciliation and supporting till readings.
- If 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.
- You must provide us with your business records and answers to any questions we have in relation to your bookkeeping, in a timely and efficient manner.

5. Our services as set out above are subject to the limitations on our liability which is detailed in our standard terms of business and engagement. These are important provisions which you should read and consider carefully.

## **SHIRES ACCOUNTANTS LIMITED - SCHEDULE D - MANAGEMENT ACCOUNTS**

### **CLIENT SERVICES**

This Schedule D should be read in conjunction with our engagement letter and our standard terms of business and engagement.

1.1 Not all clients receiving this engagement pack will require us to assisting with their Management accounts; it may be that they only require us to provide year end statutory accounting, VAT, other taxes or bookkeeping services.

1.2 Where you have asked us to prepare management accounts, we will have agreed with you a fee for that service in writing. Your acceptance to our fee proposal will represent instructions for us to prepare management accounts, in which case the following shall apply:

### **2 Your responsibility for the provision of information**

2.1 You have undertaken to make available to us, as and when required, all the accounting records and related financial information, including minutes of management meetings, which we need to do our work. You will provide us with all information and explanations relevant to the purpose and compilation of the accounting records, and you will disclose to us all relevant information in full.

2.2 Where we have also prepared your bookkeeping then we will use that data as a basis for the preparation of your management accounts. If you have prepared your own bookkeeping, then you agree to provide to us your accounting records in the agreed format, and we will have agreed with you in writing the stage of completion to which your bookkeeping should be, for example bank reconciled or not reconciled.

2.2 You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the accounting records, is accurate and complete.

You are also responsible for ensuring that the activities of the business are conducted honestly, and for safeguarding the assets of the business and for taking reasonable steps to prevent and detect fraud and other irregularities.

2.3 You will approve and sign the management accounts to acknowledge responsibility for it, including the appropriateness of the accounting basis and for providing us with all information and explanations necessary for their compilation.

2.4 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 for detecting any that occurs.

### **3 Our responsibilities**

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

- Prepare management accounts in an agreed format for your approval from the bookkeeping and accounting records supplied to us.
- We shall plan our work on the basis that no report on the accounts is required by statute or regulation for the year.
- unless you inform us in writing to the contrary. We will make enquiries of you and if appropriate your employees and undertake any procedures that we judge appropriate, but we are under no obligation to perform procedure that may be required for assurance engagements such as audits or reviews.
- Our work will not be an audit of the accounts in accordance with International Standards of Auditing (UK and Ireland). Therefore, we will not be able to provide any assurance that the accounting records or the accounts are free from material misstatement, whether caused by fraud, other irregularities or error nor to identify weaknesses in internal controls.
- Since we will not carry out an audit, nor confirm in any way the accuracy or reasonableness of the accounting records, we cannot provide any assurance whether the accounts 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 accounts and recommend improvements.
- We have a professional duty to compile accounts that conform with generally accepted accounting principles from the accounting records and information and explanations given to us.
- We also have a professional responsibility not to allow our name to be associated with financial information/accounts which we believe may be misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the accounts may be misleading, we will discuss the matter with you with a view to agreeing appropriate adjustments and/or disclosures in the accounts. In circumstances where adjustments and/or disclosures that we consider appropriate are not made or where we are provided with appropriate information, and as a result we consider that the accounts 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.

### **4 Your responsibilities**

4.1 At the outset of a management accounts engagement we will agree with you what prime records you will need to keep and when you need to provide those records to us.

4.2 You have agreed that you or your staff will:

- Keep an adequate record of all receipts and payments, whether credit card, bank or cash.
- Keep and supply to us all bank and credit card statements, written up cheque stubs and paying in books.
- Provide us with all sales invoices and all purchase invoices. These should be marked clearly as whether paid or unpaid and where paid the payment method (bank, cash, credit card).
- Raise your sales invoices and perform credit control.
- Reconcile your petty cash account on a weekly basis and provide us with a copy of the reconciliation.

- If appropriate, reconcile your till at the end of each day and provide us with a copy of the reconciliation and supporting till readings.
- If 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.
- You must provide us with your business records and answers to any questions we have in relation to your bookkeeping, in a timely and efficient manner.

5. Our services as set out above are subject to the limitations on our liability which is detailed in our standard terms of business and engagement. These are important provisions which you should read and consider carefully.

## **SCHEDULE 1 - Data processor – additional information**

### **1. Introduction**

1.1 This schedule accompanies our Standard Terms of Business and Engagement, and details supplementary information which, in accordance with applicable data protection legislation, must be included in a written contract if the firm is acting as a data processor.

### **2. Subject matter of the processing**

2.1 The subject matter of the processing are the services to be provided, as set out in our Standard Terms of Business and Engagement.

### **3. Duration of the processing/retention of records**

3.1 The duration of the processing will be as set out in our Standard Terms of Business and Engagement, and we destroy client files at least six years after we finish advising you but reserve the right to retain files longer in appropriate cases or where the law requires. or

### **4. Nature and purpose of the processing**

4.1 The nature and purpose of the data processing as set out in our Standard Terms of Business and Engagement.

### **5. Types of personal data to be processed (for example, names, addresses, dates of birth)**

5.1 Personal data: As set out in our Standard Terms.

### **6. Categories of data subjects (those to whom the client data relates, e.g. client employees, client customers)**

6.1 Categories of data subjects: As set out in our Standard Terms of Business and Engagement.

### **7. Obligations and rights of the client (as the data controller)**

7.1 Your obligations and rights are as set out in our Standard Terms of Business and Engagement.

If you need to contact us about any data protection issue, please email [info@cheshireaccountants.net](mailto:info@cheshireaccountants.net) or telephone David Trotman 01270 820 273.

## NEW CLIENT ENGAGEMENT

This pack sets out the information we need to start acting for you. We cannot carry out any work for you until we have confirmed your identity. If you have any questions or queries, please do not hesitate to contact us.

### WHAT YOU NEED TO DO:

#### 1 Identity documents

To make sure we are acting for the right person, and to comply with our statutory obligations, like other professional firms we are required to verify your identity. Page 2 of this document lists what types of document we need to see at your first appointment (alternatively, if you come to our offices during working hours, we would be happy to take copies while you wait).

#### 2 Politically Exposed Persons form

Please also complete and return the enclosed PEP questionnaire form on page 3, as we are required to ask you whether you are, or are associated with, "Politically Exposed Persons". You can bring the form to your first appointment, post it to us, or scan and email it to us.

### SCHEDULE 2 - EVIDENCE OF IDENTITY FOR UK RESIDENT INDIVIDUALS

Please supply one item from List A and one item from List B.

**List A: evidence of name** (we must also be satisfied that any photographs are a likeness of you).

- current signed passport;
- current EEA member state identity card (which can also be used as evidence of address if it gives this)
- cheque drawn on an account in your name with a bank in the UK or EEA
- residence permit issued by Home Office to EEA nationals on sight of own country passport
- current UK or EEA photo-card driving license
- current bus ID card
- benefit book or original notification letter from the Benefits Agency confirming the right to benefits;
- photographic registration cards for self-employed individuals and partnerships in the construction industry C1S4 (the card does not contain an issue or expiry date and is renewed only if the individual's appearance changes dramatically)
- firearms or shotgun certificate
- national identity card bearing your photograph
- birth certificate
- record of any home visit made by us

**List B: evidence of address** (do not use any of these documents if you have also used them as evidence of your name)

- a recent (dated within 3 months) utility bill or statement, or a certificate from a utility's supplier confirming an arrangement to pay for services on pre-payment terms (we do not accept mobile telephone bills which can be sent to different addresses)
- local council tax bill for current year
- bank, building society or credit union statement or passbook containing current address
- a recent original mortgage statement from a recognised lender
- solicitor's letter confirming recent house purchase or land registry confirmation of address
- local council or housing association rent card or tenancy agreement
- benefit book or original notification letter from the Benefits Agency confirming the right to benefits
- current EEA member state identity card
- HMRC self-assessment statement or tax demand
- house or motor insurance certificate; and
- record of any home visit made by us.

**SCHEDULE 3 – POLICALLY EXPOSED PERSON**

**PEP CHECK QUESTIONNAIRE**

Under the Money Laundering Regulations 2017, we must identify clients that are “politically exposed persons” (PEPs), or have been PEPs in the last 12 months, or is a family member or a known close associate of a PEP. A PEP is “an individual who is entrusted with prominent public functions, other than a middle-ranking or more junior official”. Examples would include:

- Heads of State, Heads of Government, Ministers and Deputy of Assistant Ministers;
- MP’s and Members of Governing Bodies of political parties;
- Members of the Supreme Court, constitutional courts or any judicial body whose decisions are not generally subject to appeal;
- Members of courts of auditors or boards of central banks;
- Ambassadors, Charges d’affaires and high-ranking officers in the armed forces;
- Members of the administrative, management or supervisory bodies of State-owned enterprises;
- Directors, deputy-directors and members of the board or equivalent function of an international organisation.

If you fall into one or more of these categories, or have done so in the last 12 months, please complete the “I am a Politically Exposed Person” section below and provide details.

If you are the spouse, partner, child or parent of a person who is a PEP, please complete the “I am a family member or known associate of a PEP” section below and provide details.

If you have joint beneficial ownership of a legal entity, legal arrangement or other close business relationship with a PEP, or you have sole beneficial ownership of a legal entity or legal arrangement which was set up for the benefit of a PEP, please complete the “I am a family member or known associate of a PEP” section below and provide details.

If you are unsure whether any of the above applies to you, please complete the “I may be” section(s) below and provide details.

**IF YOU DO NOT FALL WITHIN EITHER CATEGORY, PLEASE COMPLETE BOTH “I AM NOT” SECTIONS BELOW.** Please telephone the office if you are at all unclear on how to proceed.

I confirm that **I am not/I may be/I am** a Politically Exposed Person. If you are or may be, please give details of your public function here (i.e. title, organisation, and dates):

I confirm that **I am not/I may be/I am** a family member or known close associate of a PEP. If you are or may be, please give details of the PEP’s public function (i.e. title, organisation, and dates) and your relationship with them here:

Please now sign and date this form and return it to us.

NAME: (Please Print) .....

SIGNATURE .....

DATE: .....