

Standard Terms of Business

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These Standard Terms of Business are issued by Brown Royd Accountants Ltd (registered in England No. 08410996) at registered address: 41 Church Lane, South Crosland, Huddersfield, HD4 7DD. These terms apply to all engagements accepted by Brown Royd and all work carried out is subject to these terms except where changes are expressly agreed in writing. We reserve the right to change or amend these terms at any time and we will post our amended terms on our website: www.brown-royd.co.uk

1. Help us to give you the right service

1. 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. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If you feel that we have given you a less than satisfactory service, we undertake to do everything reasonable to address your concerns. You may also bring the matter to the attention of our supervisory bodies.

2. Your responsibilities

1. You are legally responsible for adhering to all government legislation, for making returns by the due dates and for payment of tax on time. Failure to meet the deadlines may result in penalties, surcharges and interest by the government. To enable us to carry out our work you agree:
 - a) that all advice, services and returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
 - b) to provide full information necessary for dealing with your affairs: we will rely on the information and documents being true, correct and complete;
 - c) to provide us with information in sufficient time for your returns and accounts to be completed and submitted by the due dates;
 - d) to forward to us copies of all letters and other communications received from HM Revenue & Customs, Companies House and all other legislative bodies, to enable us to deal with them as necessary within the statutory time limits;
 - e) to keep us informed about significant changes in your circumstances if they are likely to affect any liabilities or reporting requirements for all taxes, statutory records, VAT, PAYE/CIS and workplace pensions.

3. Approval and signing of documents

1. We will require you to approve financial statements, returns and other documents from time to time as part of our engagement with you. We may ask you to approve documents with an electronic signature rather than by hand. If you are not in agreement with us requesting electronic signatures, you should inform us in writing.

4. Retention of and access to records

1. During the course of our work, we will collect information from you and others acting on your behalf and will return any original documents to you following the preparation of your statements and returns. You should retain these records for at least seven years from the end of the accounting year to which they relate.
2. Whilst certain documents may legally belong to you, we intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we consider to be of continuing significance. If you require retention of any document, you must notify us of that fact in writing.

5. Fees

1. Our fees are either computed on the basis of time spent on your affairs by the principals and our staff, or on a fixed fee basis where agreed. Our fees are determined by (amongst a number of factors), the standard of records that you keep and levels of skill and responsibility involved. If a fixed fee has been agreed, the price will have been set prior to issue of our Letter of Engagement and is valid for 12 months. Our contract of service with you will automatically renew annually and we reserve the right to increase our fees without issuing a new Letter of Engagement, but you will be notified.
2. If it is necessary to carry out work outside the responsibilities outlined in our Letter of Engagement, it will involve additional fees outside of any fees agreed. Accordingly, we would like to point out that it is in your interests to ensure that your records etc. are completed to the agreed stage. 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 and to seek your agreement thereto.
3. Where we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.

4. It is our normal practice to request that clients pay their fees by monthly by direct debit. These payments will be applied to fees arising from work agreed in the Letter of Engagement for the current and ensuing years. We reserve the right to charge an administration fee of £5 +VAT for each failed direct debit.
5. Our terms relating to payment of amounts invoiced and not covered by direct debits, where appropriate, are strictly 14 days net, unless specified otherwise on your invoice. We reserve the right to add an interest charge at a rate of 2% per month simple interest together with any solicitors and/or collection agent's costs incurred on any bills remaining unpaid 14 days after presentation.
6. We reserve the right to suspend provision of any services set out in the Letter of Engagement, or any other services we have agreed to provide, whilst any direct debits or invoiced work remain overdue and unpaid. We will not be responsible for any consequences arising from the suspension.

6. Investigations by HM Revenue & Customs

1. Unless specified in your Letter of Engagement or otherwise in writing, our fees do not cover the cost of additional work on our part assisting with any investigations or enquiries into your tax affairs by HM Revenue & Customs (HMRC). However, fee protection cover is available to protect against the cost of fees arising from such investigations. Although this service is optional, we would highly recommend you participate in the scheme to avoid any unexpected costs in the future.
2. Please note that our fees will likely not be covered by any other insurance policy you may hold elsewhere. Other insurers usually insist on using their own appointed adviser. Our costs of providing any information to an external adviser to assist with an investigation will therefore not be covered.
3. Where we have agreed that our fees will include the costs of assisting with HMRC investigations, you are covered for these costs under our insurance policy. To enable us to submit a claim to our insurance provider, you agree to make us aware immediately of any communications received by HMRC in relation to an investigation or general enquiry into any of your tax, VAT or PAYE/CIS affairs. Our insurance policy covers most genuine circumstances and costs up to a prescribed limit. You must familiarise yourself with the policy conditions and in particular the main exclusions. If a claim is refused due to an exclusion, the cost of our fees, or any other party, for assisting with the HMRC investigation will not be covered. A copy of the insurance policy details is provided with our engagement letter, or available on request.
4. Where we have agreed that our fees will include the costs of assisting with HMRC investigations, you are only covered for these costs in respect of financial years where you were a paying client of ours. You will not be covered for any costs in relation to HMRC investigations into periods where we were not acting as your accountant and tax agent. You will also not be covered for any costs in relation to HMRC investigations into periods where you had not paid towards the cost of fee protection cover with us, or for periods prior to the date we agreed that our fees would include the costs of assisting with HMRC investigations.

7. Disengagement

1. Unless the Letter of Engagement states when the engagement will be terminated, either of us may terminate an engagement by giving not less than 21 days written notice. We will not be responsible for any of the services set out in the letter of engagement, or for any other services we have subsequently agreed to provide, after the date of termination, or for any consequences arising from the termination. Should we have no contact with you for a period of over 12 months, we may issue to your last known address a disengagement letter and cease to act. There will be no refund of fees already paid to us should you decide to terminate the engagement.

8. Professional obligations

1. Where you give us confidential information, we shall always keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable to this engagement.
2. We reserve the right to act during this engagement for other clients whose interests may be adverse to yours. We will notify you immediately should we become aware of any conflict of interest to which we are subject in relation to you.

9. Internet communication

1. Internet communications are capable of data corruption and therefore we do not 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. We do not accept responsibility for any errors or problems that may arise through the use of internet communication and all risks connected with sending commercially sensitive information relating to you or your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication. It is the responsibility of the recipient to carry out a virus check on any attachments received.

10. Supply of computer software and data files

1. Where we supply to you computer or internet software or computer data files, either directly or via a third party, in no event will we be liable for any loss or damage including without limitation, indirect or consequential loss or damage, or any loss or damage whatsoever arising from loss of data or profits arising out of, or in connection with, the use of the software or data files.
2. Any data files or software are downloaded at your own risk. We do not warrant the suitability of any files or software which are downloaded and accept no liability for any problems with your computer that may arise as a result.
3. Provision and use of all software and data files is and must be in strict accordance with the software developer's terms and conditions.

11. Introductions to third parties

1. From time to time we may introduce you to third party providers of goods and services. We only look to introduce clients to firms who we believe offer a similarly high standard of service as ourselves. However, we cannot be responsible for the service you receive from third parties and in no event will be liable for any loss or damage including without limitation, indirect or consequential loss or damage, or any loss or damage whatsoever arising in connection with any introductions to third parties. We or our staff may receive commission from such referrals which you agree to us retaining.

12. General Data Protection Regulations (GDPR) and Data Protection Act 2018

1. We may obtain, use, process and disclose personal data about you in order that we may discharge the services agreed under the Letter of Engagement, and for other related purposes including updating and enhancing client records, analysis for management purposes and statutory returns, crime prevention and legal and regulatory compliance. Our Data Protection Policy and Privacy Notice are available on our website or on request.

13. Money Laundering Regulations 2017, Proceeds of Crime Act 2002 and Criminal Finances Act 2017

1. We are supervised under these regulations by the Institute of Financial Accountants and in common with all other professional accountancy firms we will fulfil all our duties under the Terrorism Act 2000, the Proceeds of Crime Act 2002, the Fraud Act 2006 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.
2. Before we accept your instructions, we may need to obtain satisfactory evidence to confirm your identity and we may use electronic verification for this purpose. We may also need to obtain such evidence after we have begun to act on your instructions. Although a record of our enquiry will be entered on your record it will not affect your credit history.
3. We assume that our clients are honest and law abiding. However, if at any time, there appear to be grounds to suspect that your instructions relate to criminal property or indeed any fraudulent activity, we are obliged to make a report to the National Crime Agency (NCA) but we are prohibited from telling you that we have done so. In such circumstances, we must not act on your instructions without consent from the NCA. It does not matter who carried out the criminal activity or how removed the property is from the original crime. Even if you are honest in your dealings, if your property represents a benefit from someone else's crime, we must still make a report.

14. Provision of Services Regulations 2009

1. We are required to make available prescribed details about our firm and services to our clients. Most of this information is contained within our Letter of Engagement and these Standard Terms of Business. A copy of this is also available on request or on our website: www.brown-royd.co.uk/resources/Terms-of-business

15. Contracts (Rights of Third Parties) Act 1999

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.
2. The advice that we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it. We accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

16. Limitation of liability

1. We will provide our professional services with reasonable care and skill. However, we will not be held responsible for any losses arising from the supply by you or others of incorrect or incomplete information, or your or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or other relevant authorities.
2. You agree to hold harmless and indemnify us against any misrepresentation, whether intentional or unintentional, supplied to us orally or in writing in connection with this agreement. You have agreed that you will not bring any claim in connection with services provided to you by the firm against any of our employees on a personal basis.

17. Applicable Law

1. Our Letter of Engagement and Standard Terms of Business are governed by, and construed in accordance with, English law. The Courts of England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning our Letter of Engagement and Standard Terms of Business, and any matter arising from it. 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 inappropriate forum, or to claim that those courts do not have jurisdiction.

18. Schedule of Services

This section should be read in conjunction with your Letter of Engagement. Your Letter of Engagement sets out which of the services contained in this schedule we have agreed to provide; only those corresponding sections and terms of this schedule will apply to you. We reserve the right to change or amend these terms at any time and we will post our amended terms on our website: www.brown-royd.co.uk

1. General taxation and accountancy advice

1. We will be pleased to assist you generally in tax and accountancy matters if you advise us in good time of any proposed transactions and request advice. However, because tax rules change frequently, you must ask us to review any advice already given if a transaction is delayed or a similar transaction is to be undertaken.
2. You cannot delegate your tax or other legal responsibilities to anyone else. You must therefore familiarise yourself with any tax or legal legislation that may affect you, your company, partnership, trust or other legal entities you are associated with, by referring to the government website: www.gov.uk
3. There may be an additional charge outside of fees previously agreed, for services that involve a substantial degree of extra work and advice, such as capital gains computations, property income or foreign income.
4. Where additional returns and submissions are required to be made to HM Revenue & Customs as a result of activities and transactions not specifically listed in these terms and conditions, we will prepare and submit such returns on your behalf only if you request us to do so and we agree in writing. We will do so based on the information and explanations provided by you, and we will send you a copy of each return and a breakdown of the figures submitted, and you agree to check that submissions we have prepared for you are correct and complete. Unless you inform us immediately in writing that you disagree with the figures submitted, we will treat this as your acceptance of the submissions.
5. Although we can offer guidance on employment status, we will not be responsible for determining at any time whether you meet the HM Revenue & Customs' definitions of "employed" or "self employed". We can however seek an opinion from HMRC on your behalf where there is any doubt, if you provide us with written consent.

6. The IR35 legislation for personal service companies may affect your business if it is a limited company or partnership. Although we can offer guidance on the provisions of the IR35 legislation, including assessing your contract(s) and working practices to give you an evaluation of the likely risk to your business, we will not be responsible for determining at any time whether any of your contracts do fall within the provisions of the legislation. We can however seek an opinion from HM Revenue & Customs on your behalf where there is any doubt, if you provide us with written consent. Unless it is agreed otherwise in writing, we will treat your company/partnership as not being affected by the IR35 legislation for personal service companies.

2. Personal taxation, Self Assessment and Making Tax Digital for Income Tax (MTD) services

1. We will prepare your personal tax and national insurance computations, then prepare and submit your personal tax return and/or final end of year MTD declaration, based on the information and explanations provided by you. We will then send you a copy of your tax return and/or final end of year MTD declaration, tax computations and supporting schedules for you to approve and sign, thereby acknowledging your responsibility for the information provided.
2. If you are mandated into Making Tax Digital for Income Tax (MTD), we will not prepare or submit your quarterly updates unless you specifically ask us to do this and we have agreed in writing. If we agree to prepare and submit your quarterly updates, we will do so based on the information and explanations provided by you and we will do so without first seeking your approval of the submission data.
3. We will deal with all communications relating to your tax return addressed to us by HM Revenue & Customs (HMRC) or passed to us by you. However, if HMRC choose your return for enquiry, this work may need to be the subject of a separate assignment, in which case we will seek further instructions from you.

3. Personal tax credit and benefit claims

1. We do not offer a service to file any form of tax credit or state benefits claim on your behalf. We can accept no responsibility for loss if you do not claim any tax credits or other state benefits you may be entitled to at the appropriate time.

4. Partnership tax return services

1. We will prepare tax computations, then prepare and submit your annual partnership return based on your partnership accounts and other information and explanations provided by you.
2. We will send you the partnership return, tax computations and supporting schedules for you to approve and sign, thereby acknowledging your responsibility for the information provided.
3. We will deal with all communications relating to your partnership return addressed to us by HM Revenue & Customs (HMRC) or passed to us by you. However, if HMRC choose your partnership tax return for enquiry, this work may need to be the subject of a separate assignment, in which case we will seek further instructions from you.

5. Corporation tax and tax return services

1. We will prepare tax computations, then prepare and submit your company's corporation tax return based on your company's accounts and other information and explanations provided by you.
2. We will send you the company tax return, tax computations and supporting schedules for you to approve and sign, thereby acknowledging your responsibility for the information provided.
3. We will deal with all communications relating to your company's tax return addressed to us by HM Revenue & Customs (HMRC) or passed to us by you. However, if HMRC choose your return for enquiry, this work may need to be the subject of a separate assignment, in which case we will seek further instructions from you.
4. Where your company has made a loan to a participator such as a shareholder, tax is payable. We can be responsible for advising you of the tax payable only if you notify us of details of such loans before the end of the relevant accounting period.

6. Accounts preparation – your financial statements

1. We will write up your accounting records insofar as they are incomplete when presented to us and prepare your financial statements for approval by you. We will not be responsible for keeping your records of receipts and payments, reconciling your bank statements or balancing the sales and purchase ledgers.
2. We will not be carrying out an audit and accordingly will not verify the assets and liabilities of your business accounts, nor the items of expenditure and income. To carry out an audit would require additional work to comply with Auditing Standards.
3. We would emphasise that we cannot undertake to discover any shortcomings in your systems or any irregularities on the part of your employees, although we will advise you of any such circumstances that we encounter in preparing your accounts.
4. We will send you the financial information for you to approve and sign, thereby acknowledging your responsibility for the reliability, accuracy and completeness of your accounting records.
5. Where HM Revenue & Customs optional Cash Basis of accounting is allowed to be used, we will decide on your behalf which accounting method to apply, unless you expressly instruct us in writing otherwise.
6. Where necessary, we will file your statutory accounts with Companies House, within the required period provided all your records are complete and presented to us within five months of the year end, and all subsequent queries are promptly and satisfactorily answered.

7. Bookkeeping services – maintaining accounting records

1. We will maintain your accounting records including keeping the records of receipts and payments, balancing the purchase and sales ledgers and reconciling the balances monthly with your bank statements.
2. To enable us to carry out our work, you agree to provide full information necessary for dealing with your affairs. We will rely on the information and documents being true, correct and complete and will not audit the information or those documents.
3. We would emphasise that we cannot undertake to discover any shortcomings in your systems or any irregularities on the part of your employees, although we will advise you of any such circumstances that we encounter in preparing your accounting records.

8. Administration of Value Added Tax (VAT) returns

1. We will undertake the completion of your VAT returns. We cannot be held responsible for any penalties or default surcharges arising from the late submission of VAT returns. However, we will endeavour to meet the relevant deadlines if we receive all of your VAT records within 14 days of the end of the VAT return period. You or your staff must ensure that:
 - a) valid VAT invoices are received for all payments where VAT is being reclaimed;
 - b) all supplies made by your business are shown in the records made available to us;
 - c) the VAT rating of supplies is correctly dealt with;
 - d) we are notified in writing of any positive-rated own consumption;
 - e) any input VAT on non-business expenditure is clearly marked on supporting invoices;
 - f) we are notified of any payments to or for the benefit of you or your staff for private fuel use.
2. We will send you a copy of each VAT return and a breakdown of the figures submitted, and you agree to check that submissions we have prepared for you are correct and complete. Unless you inform us immediately in writing that you disagree with the figures submitted, we will treat this as your acceptance of the submissions.
3. Returns are prepared solely on the basis of information provided by you. We can accept no responsibility for any VAT liability arising due to inaccuracies or omissions in your accounting procedures which may lead to an incorrect declaration whether or not it is one on which penalties and interest may arise. You must familiarise yourself with the principles of VAT and all relevant VAT legislation which may affect you on the government website: www.gov.uk

9. Administration of Pay As You Earn (PAYE) and Construction Industry Schemes (CIS)

1. We will maintain your PAYE/CIS records and perform the following services:
 - a) supply to you completed payslips for employees or subcontractors as and when required;

- b) calculate statutory payments or holiday payments or necessary deductions where appropriate;
 - c) calculate the deductions that you must pay to HM Revenue & Customs (HMRC);
 - d) complete and submit all HMRC returns in relation to your scheme as required;
 - e) issue all statutory HMRC forms in relation to your scheme as required;
 - f) calculate pension deductions and notify your pension scheme provider of such amounts.
2. We need to comply with the Employer's Guide to PAYE. We will consider with you the detailed information that is required and the form in which it is to be provided. It will remain your responsibility to make us aware of any information that is required to process true and accurate payslips and PAYE/CIS records, and to provide us with any information we require in a timely manner to meet all filing deadlines. You agree to check that submissions we have prepared for you are correct and complete and inform us immediately if not.
 3. Employers cannot delegate their legal responsibility to others. You must familiarise yourself with the principles of PAYE/CIS and all relevant employment legislation which may affect you on the government website: www.gov.uk. You will also be responsible for completing checks on a new employee's eligibility to live and work in the UK.
 4. You agree to supply us with complete and accurate details of all taxable employment benefits and expenses paid to directors and employees during the tax year in reasonable time for us to meet any statutory filing deadlines. Most expenses and benefits will now need to be reported to HMRC on every pay day instead of via an annual form P11D. You must therefore ensure you keep us informed of all payments made to employees or changes to regular expenses and benefits provided. Where applicable, we will prepare and submit forms P11D and P11D(b) for expenses and benefits.
 5. We will provide assistance with setting up a Qualifying Workplace Pension Scheme to help you fulfil your Automatic Enrolment obligations set out by The Pensions Regulator. However, we are not regulated to provide financial advice and it remains your responsibility to choose a suitable pension scheme provider. You must familiarise yourself with the principles of Automatic Enrolment and all relevant legislation which may affect you on The Pensions Regulator website: www.thepensionsregulator.gov.uk
 6. We will perform the following Automatic Enrolment services:
 - a) become your business's point of contact for The Pensions Regulator (if requested) and notify them of this;
 - b) register your business with The Pensions Regulator and submit your statement of compliance;
 - c) continually evaluate your employees and issue communications detailing their options;
 - d) automatically enrol eligible employees and those who choose to opt into your scheme;
 - e) handle opt-out requests by employees.
 7. All fees for PAYE services are subject to our schedule of charges, a copy of which is available on request.

10. Company secretarial services

1. We will provide the following secretarial services:
 - a) prepare minutes of board meetings and dividend vouchers;
 - b) maintain the statutory books as required by Companies House;
 - c) complete and submit your statutory annual Confirmation Statement to Companies House (a filing fee may be payable unless we have agreed to include the cost of this in our fees);
 - d) complete and submit any other forms required by law to be filed at Companies House, provided that you keep us fully informed of any relevant changes or events which are required to be notified to Companies House, within one week of the change or event (filing fees may be payable).
2. Directors and office holders are responsible for the legal operation and compliance of their company or partnership. They cannot delegate this responsibility to others. You must familiarise yourself with the principles of company law and your legal obligations on the government website: www.gov.uk
3. Unless you inform us otherwise in writing, we will register your company for the Companies House "PROOF" scheme. This free service helps you protect your company from unauthorised changes to your records. It prevents the filing of certain paper forms and helps prevent fraudsters attempting to hijack a company by changing the details of the company's directors and registered office. You can find more information about this scheme on the government website: www.gov.uk