

## **OCL Accountancy: General Terms and Conditions**

We are obliged to issue and (as required) renew letters of engagement with all clients; this document sets out the basis on which we are engaged to act for the addressee and our respective areas of responsibility; it also includes our Terms and Conditions and Privacy Statement.

Where you would like us to act for another party who is not the addressee (and this may be you personally / a spouse / a partnership / a company) we will issue a separate engagement letter for that purpose. Using the most appropriate method, we will obtain authorisation for HMRC to communicate with us as agent. We will explain what action you need to take. You agree to completing any necessary actions to allow authorisation within the required timeframe. It is important to appreciate that you remain required to take 'reasonable care' over tax affairs.

### **Money Laundering**

We are required by current legislation to:

- Undertake due diligence for all clients.
- Maintain records of this due diligence, including identification evidence.
- Report, in accordance with the relevant legislation, to the National Crime Agency.

**We use an online system to obtain this documentation but if this is unable to verify your identity for us you will need to supply (if you have not already):**

- **A valid passport or other photo identification, such as a driving license.**
- **Evidence of current place of residence e.g. a utility bill which is not more than four months old.**

If the above is not available, please call so that we can discuss what other means of identification would be suitable. If the addressee is a limited company, we are required to obtain this documentation for every director and any shareholder holding more than 25% of the share capital.

### **General Data Protection Regulation ("GDPR")**

In accordance with the GDPR we have set out our Privacy Policy and your rights for you to read and approve at the end of this document however please note that the Privacy Notice, General Data Protection Regulation (GDPR) Policy, Payroll GDPR Policy and Terms & Conditions are available on our website (<https://www.oclaccountancy.com/>).

### **Period of engagement**

This engagement will start and the terms set out in this document shall take effect immediately upon your countersigning and returning it to us. Where we receive written instruction to start work before receiving a signed copy of this letter, we will treat that as acceptance of all the terms of this engagement letter, unless we hear from you to the contrary within 14 days of you giving that instruction.

### **Scope of services to be provided**

This document details the work that you have instructed us to carry out & states your and our responsibilities in relation to it. If we agree to carry out additional services for you, we will provide you with a new or amended engagement letter. Only the services that are listed in the accompanying schedule[s] are included within the scope of our instructions. If there is

additional work that you wish us to carry out which is not listed in the schedule[s], please let us know and we will discuss with you whether they can be included in the scope of our work. We shall not be responsible for any failure to advise or comment on any matter that falls outside the specific scope of your instructions. We cannot accept any responsibility for any event, loss or situation unless it is one against which it is the expressed purpose of these instructions to provide protection.

### **Your responsibility to us**

The service and advice that we give can only be as good as the information on which it is based. In so far as that information is provided by you, or by third parties with your permission, your responsibility arises as soon as possible if any information, circumstances or facts alter, as any alteration may have a significant impact on the service or advice given. If your circumstances change or your needs alter, advise us of the alteration as soon as possible in writing.

### **Continuity Agreement**

To provide cover in the event of incapacity or death of the senior Director, we have followed the guidelines from our Institute and completed a Continuity Agreement with a firm of Chartered Accountants. The purpose of this agreement is to look after your interests by providing continuity of services. You will of course be contacted in the event of such circumstances arising and you will have the option to decline to be covered by these arrangements.

### **Limitation of liability**

We specifically draw your attention to the limitation of liability paragraphs in our standard terms and conditions which set out the basis on which we limit our liability to you and to others. You should read this in conjunction with the limitation of third-party rights paragraphs in our standard terms and conditions which exclude liability to third parties. These are important provisions which you should read and consider carefully.

There are no third parties that we have agreed should be entitled to rely on the work done pursuant to this engagement letter.

### **Other services**

You may request that we provide other services from time to time. We may need to issue a separate letter of engagement and scope of work to be performed accordingly. Because rules and regulations frequently change you must ask us to confirm any advice already given if a transaction is delayed or a similar transaction is to be undertaken.

### **Agreement of terms**

This letter should be read in conjunction with the firm's standard terms and conditions attached.

### **General terms and conditions**

#### **Introduction**

These terms and conditions set out the general terms under which we undertake our business. The specific conditions relating to particular assignments will be covered in a separate letter of engagement.

### **Accessibility of Privacy Notice, GDPR policies and Terms & Conditions (T&C's)**

Please note that the Privacy Notice, General Data Protection Regulation (GDPR) Policy, Payroll GDPR Policy and Terms & Conditions are available on our website (<https://www.oclaccountancy.com/>). In circumstances where you are signing this agreement on behalf of another party, signing implies agreement that all parties have been made aware of the Privacy Notice and how we manage personal data.

With regards to our GDPR policy for retaining information for anti-money laundering (AML) regulations and identification checks, please note:

- OCL's standard policy is to hold information for *at least 6 years* post disengagement.
- As per GDPR regulations you have the right to rectify or withdraw consent (in writing) for OCL holding this data at any stage post disengagement.

### **Applicable law**

The engagement letter, the schedule of services and our standard terms and conditions of business are governed by, and should be construed in accordance with English law. Each party agrees that the Courts of English law will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right to object to any action being brought in those Courts, to claim that the action has been brought in an inappropriate forum, or to claim that those Courts do not have jurisdiction.

We will not accept responsibility if you act on advice previously given by us without first confirming with us that the advice is still valid in light of any change in the law or in your circumstances. We will accept no liability for losses arising from changes in the law, or the interpretation thereof, that occur after the date on which the advice is given.

### **Authorisation and registration**

A director is registered with the Institute of Chartered Accountants in England and Wales (ICAEW) as a Member in Practice.

### **Bribery Act 2010**

In accordance with the requirements of the Bribery Act 2010 we have policies and procedures in place to prevent the business and its partners and staff from offering or receiving bribes.

### **Client Identification**

As with other professional services firms, we are required to identify our clients for the purposes of the UK anti-money laundering legislation. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

If you undertake business that requires you to be supervised by an appropriate supervisory authority to follow anti-money laundering regulations including if you accept or make a high value cash payments of €10,000 or more (or equivalent in any currency) in exchange for goods you should inform us.

Any personal data received from you to comply with our obligations under The Money Laundering, Terrorist Financing and Transfer for Funds (Information on the Payer) Regulations 2017 (MLR 2017) will be processed only for the purposes of preventing money laundering or terrorist financing. No other use will be made of this personal data unless use of the data is permitted by or under enactment other than the MLR 2017, or we have obtained the consent of the data subject to the proposed use of the data.

### **Client monies**

We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds.

We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are unclaimed and the client to which they relate has remained untraced for five years or we as a firm cease to practise then we may pay those monies to a registered charity.

Fees paid by you in advance for professional work to be performed and clearly identifiable as such shall not be regarded as clients' monies.

### **Commissions or other benefits**

In some circumstances, commissions or other benefits may become payable to us in respect of transactions which we arrange for you. Where this occurs, you should be notified by the provider of the amount & terms; we accept no responsibility if this doesn't happen. The same should apply where the payment is made to or transactions are arranged by a person or business connected with ours. You agree that we can retain any commission or other benefits without being liable to you for any such amounts.

### **Communication**

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

With electronic communication, there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices. However, electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses nor for communications which are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication especially in relation to commercially sensitive material. These are risks you must bear in return for greater efficiency and lower costs. If you do not wish to accept these risks please let us know and we will communicate by paper mail, other than where electronic submission is mandatory.

Any communication by us with you sent through the post system is deemed to arrive at your postal address two working days after the day that the document was sent.

### **Confidentiality**

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

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

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

### **Conflicts of interest**

If there is a conflict of interest in our relationship with you or in our relationship with you and another client that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, then we will adopt those safeguards.

Where conflicts are identified that cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services. If this arises, we will inform you promptly. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject, of course, to the obligations of confidentiality referred to above.

### **Consumer credit**

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

### **Data Protection**

You acknowledge that we will act in accordance with the privacy notice we have supplied to you.

### **Disengagement**

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

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

We reserve the right following termination for any reason to destroy any of your documents that we have not been able to return to you after a period of six months unless other laws or regulations require otherwise.

### **Duration**

Upon signing of an agreement OCL Accountancy's pricing is on the basis the quoted work will continue until at least 12 months after the acceptance date. Termination of work before this date may require OCL to raise a final bill to cover any remaining costs incurred in the period or pro-rata loss of planned income.

### **Fees**

Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility and the importance and value of the advice that we provide, as well as the level of risk. If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that it will be the case.

Where requested we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to

us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range.

In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such assurance was arranged through us you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

Our normal hourly rates are set out below. These will be increased annually. VAT being charged thereon. Indicative hourly charge-out rates are as follows

Director	£150.00
Senior Manager	£ 90.00 – £120.00
Manager	£ 65.00 – £75.00
Accounts / Tax Senior	£ 55.00 – £65.00
Bookkeeping / Payroll	£ 40.00 – £55.00
Assistant / Junior	£ 35.00

We will invoice at least annually and our invoices are due for payment on presentation unless otherwise stated. Our fees are exclusive of VAT which will be added where it is chargeable. Any disbursements we incur on your behalf and expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate. Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.

It is our normal practice to ask clients to pay by monthly direct debit and to periodically adjust the monthly payment by reference to actual billings.

You authorise us to settle our agreed fees from any money held on your behalf in the client account. We reserve the right to charge interest on late-paid invoices at the rate of 2% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so. If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.

If a client company, trust or other entity is unable or unwilling to settle our fees, we reserve the right to seek payment from the individual (or parent company) giving us instructions on behalf of the client, and we shall be entitled to enforce any sums due against the group company or individual nominated to act for you.

#### **Personal Guarantee for limited company clients**

From time to time client companies can face financial hardship and may become insolvent; it is not our policy to withhold services as this can aggravate the situation. It is therefore agreed by you the signatory (or signatories) to this letter that in accepting these Terms you are providing a **personal guarantee** and so accept personal responsibility & therefore liability (jointly and severally in the case of joint signatories) for any unpaid debt owed to this company when such debt becomes more than 3 months overdue.

## **Intellectual property rights**

We will retain all copyright in any document prepared by us during the course of carrying out the engagement save where the law specifically provides otherwise.

You are not permitted to use our name in any statement or document 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.

## **Interpretation**

If any provision of this engagement letter, schedules of services or standard terms and conditions is held to be void, then that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted. 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.

## **Electronic and other communication**

As instructed, we will communicate with you and with any third parties you instruct us to as set out in our covering letter and privacy notice via email or by other electronic means. The recipient is responsible for virus-checking emails and any attachments.

With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices. However, electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses, nor for communications that are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication, especially in relation to commercially sensitive material. These are risks you must accept in return for greater efficiency and lower costs. If you do not wish to accept these risks, please let us know and we will communicate by hard copy, other than where electronic submission is mandatory.

Any communication by us with you sent through the post or DX system is deemed to arrive at your postal address two working days after the day that the document was sent.

When accessing information held electronically by HMRC, we may have access to more information than we need and will only access records reasonably required to carry out the contract.

You are required to keep us up to date with accurate contact details at all times. This is important to ensure that communications and papers are not sent to the incorrect address.

## **Internal disputes**

If we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all parties we will continue to supply information to the registered office or main trading address for the attention of the directors or partners. If conflicting advice, information or instructions are received from different parties in the business we will refer the matter back to the directors or partners and take no further action until they have agreed the action to be taken.

## **Investment services**

If, during the provision of professional services to you, you need advice on investments, including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority or the Prudential Regulation Authority or licensed by a Designated Professional Body as we are not authorised to give such advice.

## **Lien**

Insofar as permitted to do so by law or 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.

## **Limitation of liability**

We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or wilful default.

### Exclusion of liability for loss caused by others

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

### Exclusion of liability in relation to circumstances beyond our control

We will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

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

We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or wrongly misrepresented to us or from fraudulent acts, misrepresentation or wilful default on the part of any party to the transaction and their directors, officers, employees, agents or advisers. This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures which we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry.

### Indemnity for unauthorised disclosure

You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it.



## **Limitation of Third Party Rights**

The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. It may not be used or relied upon for any other purpose or by any other person other than you without our prior written consent. A party to this agreement is the only person who has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them, should they rely on the advice.

If it is proposed that any documents or statement which refer to our name are to be circulated to third parties, please consult us before they are issued.

## **Money Laundering Regulations**

In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided or information disclosed to the National Crime Agency (NCA).

You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

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

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

## **Notification**

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

## **Period of engagement and termination**

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

Each of us may terminate this agreement by giving not less than 21 days notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, in which case we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

In the event of termination of this contract, we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

## **Professional rules and statutory obligations**

We will observe and act in accordance with the by-laws, regulations and ethical guidelines of the Institute of Chartered Accountants in England and Wales (ICAEW) and will accept instructions to act for you on this basis. In particular, you give us the authority to correct errors made by HMRC where we become aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.

## **Provision of Services Regulations 2009**

In accordance with our professional body rules we are required to hold professional indemnity insurance. Details about the insurer and coverage can be found at our offices.

## **Quality control**

As part of our ongoing commitment to providing a quality service, our files may periodically be reviewed by an independent regulatory or quality control body. These reviewers are highly experienced and professional people and, of course, are bound by the same rules for confidentiality as our staff.

## **Quality of service**

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

We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you.

## **Reliance on advice**

We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for example during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing.

## **Retention of papers**

You have a legal responsibility to retain documents and records relevant to your tax affairs. During the course of our work we may collect information from you and others relevant to your affairs. We will return any original documents to you if requested. Documents and records relevant to your affairs are required by law to be retained as follows:

Individuals, trustees and partnerships

- with trading or rental income: 5 years and 10 months after the end of the tax year;
- otherwise: 22 months after the end of the tax year;

Companies, LLPs and other corporate entities

- 6 years from the end of the accounting period;

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

## **Timetable**

The services we undertake to perform for you will be carried out on a timescale to be determined between us on an ongoing basis.

The timing of our work will in any event be dependent on the prompt supply of all information and documentation as and when required by us.

## **Record storage**

Our services will regularly require us to obtain records from you. When we have finished processing them we shall contact you to arrange for their collection or for you to instruct us to return them to you at your expense. If the records have not been collected or returned within 3 months of our advice then we shall be entitled to charge storage and handling at a rate of £15 per month plus VAT for each complete month after the three-month period has expired. The company also reserves the right as an alternative to raising a charge, to make two attempts to arrange collection (or return) and if at that stage no response has been received, OCL will return the records to the address held on OCL's database for the client. OCL will use its usual courier service provider for this return.

## **Call recording**

We may utilise a system that records all calls to and from the company and you consent to this by accepting these terms. The data comprised within those recordings will be covered by our General Data Protection Regulation policy.

## **The Provision of Services Regulations 2009 ('Services Directive')**

In accordance with professional body rules, we are required to hold professional indemnity insurance. Details about the insurer and coverage can be found at our offices or by request from us.