

ONYX ACCOUNTANTS LTD - STANDARD TERMS AND CONDITIONS as @ 1/2/2015

The following terms of business apply to all engagements accepted by Onyx Accountants Limited
Definitions and Interpretation

In this Agreement (which expression shall be deemed to include the Schedules hereto):

1. The following expressions have the following meanings:
 - 1.1. "Commencement Date" means the earlier of your consultancy agreement or the date of these standard terms on conditions;
 - 1.2. "Services" means the consultancy services more particularly described in the First Schedule;
 - 1.3. "Taxes" means all present and future taxes, levies, imposts and duties of whatever nature charged by any national, supra-national or local taxing or fiscal authority including, without limitation, income tax and national insurance contributions, but not including VAT payable in respect of the provision of the Services.
 - 1.4. Unless otherwise specified, words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and unincorporated and (in each case) vice versa.
 - 1.5. Reference to Clauses and other provisions are references to Clauses and other provisions of this Agreement.
 - 1.6. The headings do not affect the interpretation of this Agreement.

The Services

2. During the term of the Agreement, the Consultant agrees to:
 - 2.1. provide the services of such one or more persons as the Consultant in his absolute discretion shall determine as being reasonably required in order to perform the Services PROVIDED THAT any such person or persons shall perform the Services in a good and workmanlike manner and with the skill and care to be expected of a professional consultant having experience of carrying out the services of a similar type and nature as the Services;
 - 2.2. act in good faith and not do any act matter or thing that may prejudicially affect the interests of the Client; and
 - 2.3. comply with the lawful, proper and reasonable directions of the Client; and
 - 2.4. provide the Client with all correspondence, information and data relating to the provision of the Services as shall reasonably be requested by the Client; and
 - 2.5. provide such other service or services as may be agreed from time to time by the Parties.
 - 2.6. The Consultant shall procure that the person or persons actually providing the Services shall (unless prevented by illness or other cause beyond the reasonable control of the Consultant), be available to perform the Services on such days and times as shall be agreed between the Parties from time to time.

Liability and Indemnity

3. The Consultant shall not be liable to the Client for any Consequential Loss suffered by the Client (whether caused by the negligence of the Consultant, its servants, or agents or otherwise) which arises out of or in connection with this Agreement.
4. The Consultant shall not be liable to the Client or be deemed to be in breach of this Agreement by reason of any delay in performing, or any failure to perform, any of the Consultant's obligations in relation to the Services, if the delay or failure was due to any cause beyond the Consultant's reasonable control.
5. The Consultant shall have no liability to the Client for any loss, damage costs or expenses or other claims for compensation arising from any document or data or information or instructions supplied by the Client which are incomplete, incorrect, inaccurate, illegible, out of sequence or in the wrong form, or arising from their late or non-arrival, or any other fault of the Client.
6. The liability of the Consultant shall not exceed the sum of £1,000,000.
7. The Consultant agrees to maintain at its own cost a policy of insurance to cover the liability of the Consultant in respect of any act or default for which it may become liable to indemnify the Client under the terms of this Agreement with cover of not less than £1,000,000 and to provide copies of such insurance certificate and receipt of payment of latest premium to the Client upon request.

Client identification

8. 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.

Client money

9. We may, from time to time, hold money on your behalf. The money will be held in trust in a client bank account, which is segregated from the firm's funds.
10. 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 whom 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.
11. We are committed to providing you with a high quality service that is both efficient and effective. However, should there be any cause for complaints in relation to any aspect of our service please contact the Practice Manager. We agree to look into any complaint carefully and promptly and do everything reasonable to put it right. If you are still not satisfied you can refer your complaint to our professional body, the Association of Chartered Certified Accountants.

Confidentiality

12. 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.
13. We reserve the right, for the purpose of promotional activity, training or for other business purpose, to mention that you are a client. As stated above we will not disclose any confidential information.

Conflicts of interest

14. We will inform you if 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. We have safeguards that can be implemented to protect the interests of different clients if a conflict arises. Where conflicts are identified which cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services.
15. If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests then we will adopt those safeguards. We reserve the right to provide services for other clients whose interests are not the same as yours or are adverse to yours subject of course to the obligations of confidentiality referred to above.

Data protection

16. We confirm that we will comply with the provisions of the Data Protection Act 1998 when processing personal data about you [and your family]. In order to carry out the services under our engagement letter and for related purposes such as updating and enhancing our client records, analysis for management purposes and statutory returns, legal and regulatory compliance and crime prevention we may obtain, process, use and disclose personal data about you.

Electronic and other communication

17. 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.
18. 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.
19. 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.

Fees and payment terms

20. 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.
21. If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.
22. Where requested we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.
23. In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such insurance was arranged through us you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

24. Unless we have agreed with you a monthly Standing Order arrangement, we will bill you periodically upon completion of work, and our invoices will be due for payment within 14 days of issue. 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.
25. Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.
26. We reserve the right to charge interest on late paid invoices at the rate of 5% 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.
27. 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.

Intellectual property rights

28. 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.

Interpretation

29. If any provision of our engagement letter or terms of business is held to be void, then that provision will be deemed not to form part of this contract. 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.

Internal disputes within a client

30. 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/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.

Investment advice

31. Investment business is regulated by the Financial Services and markets Act 2000. If during the provision of professional services to you, you need advice on investments including insurances, we may have to refer you to someone who is authorised by the Financial Services Authority as we are not.

Lien

32. 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 third party rights

33. 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.

Period of engagement and termination

34. Unless otherwise agreed in our engagement letter, our work will begin when we receive implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.
35. Each of us may terminate our agreement by giving not less than 28 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.
36. In the event of termination of our 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.

Reliance on advice

37. 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.

Personal Guarantee

38. In consideration of the Consultant providing the Services to the Client, the Guarantor (typically one of the directors or shareholders in the Ltd Company) personally guarantees all of the obligations and liabilities of the Client under this Agreement whenever the Client does not on demand from the Consultant perform any of its obligations or meet any of its liabilities under this Agreement.
39. The Guarantor is to be treated as a principal obligor and as giving a separate and independent obligation and liability from the obligations and liabilities of the Client under this agreement and agrees to indemnify and keep indemnified the Consultant in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Consultant arising out of, or in connection with, any failure of the Client to perform or discharge any of its obligations or liabilities in respect of this agreement.

TERMS OF SERVICE - WHERE APPLICABLE TO YOUR SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the schedule of services in your engagement and the above standard terms and conditions.

STATUTORY YEAR END ACCOUNTS

Within our service to produce Statutory Year End Accounts the following is a brief overview of what the service includes.

- Statutory Compliance
- Preparation, discussion and submission of Annual Statutory Company Accounts.
- Corporation Tax Returns for the Company
- Preparation of Annual Self Assessment Tax returns for Directors
- Provision of on-going business advice regarding VAT, bookkeeping, taxation and finance process issues.
- Initial meeting at your premises to discuss any business issues arising
- Half Yearly meetings to discuss Statutory Accounts and Personal Taxation planning
- Provision of ad-hoc financial and business advice via telephone and face to face meetings as required throughout the year

PAYROLL SERVICES :- ONLY FOR BUSINESSES OPERATING A PAYE SCHEME

Not all clients signing this engagement letter pack will require us to assisting with their Payroll however due to RTI, the initial compliance is something that means businesses prefer to utilise this service.

- We will submit the first Full Payment Submission (FPS) [and the Employer Payment Summary (EPS) as necessary] online to HMRC after the data to be included therein has been approved by you. (The first FPS must reach HMRC normally on or before the payday for the first payroll run after you are required to make submissions under RTI)
- Before your first Full Payment Submission (FPS), submit an Employer Alignment Submission (EAS) online to HMRC after the data to be included therein has been approved by you

Recurring compliance work

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

- Calculating the pay as you earn (PAYE) deductions , employees' National Insurance Contributions (NIC) deductions & employer's NIC liabilities
- Calculating statutory payments, for example, Statutory Sick Pay and/or Statutory Maternity Pay
- Calculating other statutory and non statutory deductions
- Submitting information online to HMRC under RTI for PAYE
- 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
- [The data included within each] Full Payment Submission (FPS) for taxable pay and payrolled benefits for each employee
- A payslip for each employee unless not required
- A P45 for each leaver
- A report showing your PAYE and NIC liability and due date for payment
- 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.)

- 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.)

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.
We will deal with any online secure messages sent to us by HMRC in respect of your payroll; and
- We will submit National Insurance Number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

VAT RETURNS :- ONLY FOR VAT REGISTERED BUSINESSES

Not all clients signing with Onyx Accountants will require us to assist with their VAT returns; it may be for instance that they are not VAT registered or that they only require us to provide VAT Review or associated book-keeping towards this.

Recurring compliance work

- We will prepare/review your monthly/quarterly/annual VAT returns and if applicable Intrastat returns/EC Sales lists on the basis of the information and explanations supplied by you.
- Based on the information that you provide to us we will tell you how much you should pay and when. If appropriate we will initiate repayment claims where tax has been overpaid. We will advise on the interest and penalty implications if VAT is paid late.
- Where appropriate we will calculate the partial exemption annual adjustment.
- Where appropriate we will calculate the annual Capital Goods Scheme adjustment.
- We will forward to you the completed return calculations for you to review, before you approve the VAT return for onward transmission by us to HMRC.

Ad hoc and advisory services

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

Changes in the law

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

Your responsibilities

- Ensuring that your returns are correct and complete;
- Filing any returns by the due date; and
- Making payment of tax on time.
- Failure to do this may lead to automatic penalties, surcharges and/or interest.
- 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 mis-declaration on which penalties and interest may arise;
- 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.
- 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.
- 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.

MANAGEMENT ACCOUNTS

Not all clients signing with Onyx Accountants will require us to prepare management accounts as this is a more value based service.

Your responsibility for the provision of information

- You have undertaken to make available to us, as and when required, all the accounting records and related financial information, including minutes of management meetings, which we need to do our work. You will provide us with all information and explanations relevant to the purpose and compilation of the accounting records, and you will disclose to us all relevant information in full.
- You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the accounting records, is accurate and complete. You are also responsible for ensuring that the activities of the business are conducted honestly, and for safeguarding the assets of the business and for taking reasonable steps to prevent and detect fraud and other irregularities.
- You 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.
- 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

Our responsibilities

- 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 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.
- 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.

ONE OFF TAX WORK

This work involves Not all clients signing this engagement letter pack will require us to prepare management accounts; it may be for instance that they only require us to assist with their VAT returns.

- 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.

PHONECALLS

Please note that all calls are recorded for training and monitoring purposes. In agreeing to these conditions you give consent to recording of calls.