

COMPLETE ACCOUNTS  
LIMITED – FULL  
GENERAL TERMS AND  
CONDITIONS OF  
ENGAGEMENT  
APPLYING TO ALL  
ENGAGEMENTS

# Complete Accounts Limited

## Engagement letter – General terms for services

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# **Complete Accounts Limited**

## **Engagement letter – General terms for services**

### **1 Introduction**

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

### **2 Period of engagement**

- 2.1 This letter is effective from the date shown on the engagement letter index.
- 2.2 We will deal with matters arising in respect of periods prior to the above period as appropriate and agreed.

### **3 Our responsibility to you**

- 3.1 We have set out the agreed scope and objectives of your instructions within this letter of engagement. Any subsequent changes will be discussed with you and where appropriate a new letter of engagement will be agreed. We shall proceed based on the instructions we have received from you and will rely on you to tell us as soon as possible if anything occurs which renders any information previously given to us as incorrect or inaccurate. We shall not be responsible for any failure to advise or comment on any matter which 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.

### **4 Your responsibility to us**

- 4.1 The advice that we give can only be as good as the information upon 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 circumstances or facts alter as any alteration may have a significant impact on the advice given. If the circumstances change therefore or your needs alter, advise us of the alteration as soon as possible in writing.

### **5 Ethical guidelines**

- 5.1 We are bound by the ethical guidelines of the Association of Chartered Certified Accountants, and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines. A copy of these guidelines can be viewed at our offices on request or can be seen at [www.accaglobal.com](http://www.accaglobal.com).

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### 6 Fees

- 6.1 Our fees are detailed on the engagement letter index.
- 6.2 If it is necessary to carry out work outside the responsibilities outlined in the letter of engagement it will involve additional fees. Accordingly, we would like to point out that it is in your interest to ensure that your records are completed to the agreed stage.
- 6.3 In the case of a dispute over the level of fees charged we reserve the right to require that the matter is dealt with through arbitration. We recommend that arbitration is undertaken by the fee arbitration service provided by ACCA for members. The fee arbitrator will be appointed by the ACCA president; the fee will be as negotiated with the ACCA arbitrator.
- 6.4 All invoices will be charged including VAT if Complete Accounts Limited are VAT registered at the time of raising the invoice. If VAT is to be charged this will be made clear on the engagement index listing the fees charged for the various services.
- 6.5 All invoices will include details of any disbursements which have been recharged in accordance with our agreement
- 6.6 Invoices are payable in full before any accountant's report is signed.
- 6.7 Our general terms relating to payment of amounts invoiced are strictly 30 days net. Interest will be charged on all overdue debts at the rate of 5% above Bank of England Base rate.
  - 6.7.1 Where Invoices are invoiced to a Limited Company the directors agree to guarantee the fees and agree to be personally liable for any fees not paid by the company after a period of 60 days from the date of invoice.
- 6.8 Monthly complete accounts contracts are paid monthly by standing order.
- 6.9 Fees are reviewed on an annual basis and discussed with you prior to implementation. For monthly contracts paid by standing order, then this fee review may take place at the time of preparing the accounts rather than at the end of the financial year. Any fee increase applied will apply retrospectively from the beginning of the current financial year. For example, if March 2010 accounts are prepared in September 2010 and it is deemed appropriate to agree an increased fee for the March 2011 year based on what is then known, then the fee increase agreed in September 2010 will apply from April 2010, ie the start of that new financial year. The fee agreed for March 2010 remains unchanged unless by prior agreement.
- 6.10 You authorise us to settle our agreed fees from any money held on your behalf in the client account.

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- 6.11 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.

#### **6.a Lien**

- 6.a.1 In so far 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.

#### **7 Client Monies**

- 7.1 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. The account will be operated, and all funds dealt with, in accordance with the Clients' Monies Rules of the Association of Chartered Certified Accountants. These rules can be found on the ACCA website at [www.accaglobal.com](http://www.accaglobal.com).
- 7.2 Fees paid by you in advance for professional work to be performed and clearly identifiable as such shall not be regarded as clients' monies.
- 7.3 Occasionally, HMRC may refund your tax direct to us. When this happens, the money is held in a separate client account and it is not combined with the business running expenses of this practice
- 7.4 When HMRC refund tax for clients, there is often a significant time delay between the actual payment of money and subsequent notice to us as to which client the money refers to. We will endeavour to repay client tax refunds as soon as the correct client due the refund can be identified.

#### **8 Quality control and disclosure of information**

- 8.1 As part of our ongoing commitment to providing a quality service, some of our files may be subject to an independent review. Our reviewers are highly experienced and professional people and, of course, are bound by the same requirements for confidentiality as our partners and staff.
- 8.2 We also reserve the right to disclose our files to regulatory bodies in the exercise of their powers.

#### **9 Internal disputes**

- 9.1 In the event 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. We will continue to supply information to normal place of business for the attention of the directors or proprietors.

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### 10 Investment services

- 10.1 If during the provision of professional services to you, you need advice on investments, we may have to refer you to someone who is authorised by the Financial Services Authority or licensed by a Designated Professional Body as we are not
- 10.2 Referral to a Permitted Third Party (PTP)
- 10.3 Should you require advice on investment business which we are unable to give as we are not authorised by the Financial Services Authority we can introduce you to a suitable authorised firm. The PTP will issue you with his own terms and conditions letter, will be remunerated separately for their services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000. We will act as introducers but would be pleased to comment on, or explain any advice received [and if required attend any meetings with you].
- 10.4 We may receive an introductory fee or commission which is based on a % of the commission received or the fee charged by the PTP and of which they will advise you directly. We will inform you when any introductory fee or commission is received.

### 11 Commissions or other benefits

- 11.1 In some circumstances, commissions or other benefits may become payable to us in respect of transactions which we arrange for you, in which case you will be notified in writing of the amount and terms of payment. The fees that would otherwise be payable by you as described will not take into account the benefit to us of such amounts. As far as allowed by legislation, you consent to such commission or other benefits being retained by us without our being liable to account to you for any such amounts.

### 12 Retention and ownership of records

- 12.1 During the course of our work we will collect information from you and others acting on your behalf and can return any original documents to you following preparation of your tax return/ accounts. You should retain them for 6 years from a company year end or 5 years and 10 months after the end of the tax year in the case of personal tax return. This period may be extended if HM Revenue and Customs enquires into your tax return.
- 12.2 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.
- 12.3 Ownership of records is determined by case law. We have summarised below instances where documents, although retained by ourselves, will belong to yourself:

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- 12.4 Where work is of a tax compliance nature, the entire tax file will be deemed to belong to yourself unless we have provided copies of all tax matters to you, e.g., the preparation and submission of accounts, returns, computations and VAT returns to HM Revenue and Customs, agreement of clients' tax liabilities, including those following "in depth" investigations.
- 12.5 Where a report is made on your behalf, to the authorities, for submission to the authorities, in connection with an accounts' investigation where we will be acting as principals. The report and supporting schedules will belong to yourself.
- 12.6 Where work is of a tax advisory nature, letters, reports or documents giving the advice belong to yourself.
- 12.7 Tax files and other papers that are legally the property of yourself will be retained for 7 years or until your specific authority is obtained for their destruction. Where we have provided you with copies of tax documents, forming your tax file, it will be your responsibility to maintain these for the required time period.
- 12.8 If time is spent to retrieve the file, this is a disbursement chargeable to yourself.
- 12.9 The above relates to paper as well as electronic records.

### **13 Notification**

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

### **14 Timetable**

- 14.1 The services we undertake to perform for you will be carried out on a timescale to be determined between us on an ongoing basis.
- 14.2 The timing of our work will in any event be dependant on the prompt supply of all information and documentation as and when required by us.

### **15 Third parties**

- 15.1 Any advice we give you will be supplied on the basis that it is for your benefit only and shall not be disclosed to any third party in whole or part without our prior written consent. 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. 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.

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- 15.2 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.

### **16 Confidentiality**

- 16.1 As specified in these terms and conditions, we confirm that where you give us confidential information we shall at all times keep it confidential, except as required by law to make disclosures as provided for in regulatory, ethical or other professional pronouncements applicable to our engagement.
- 16.2 You agree that it will be sufficient compliance with our duty of confidence for us to take such steps as we in good faith think fit to preserve confidential information both during and after termination of this engagement.
- 16.3 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.

### **17 Quality of service**

- 17.1 We aim to provide a high quality of service at all times. If you would like to discuss with us how our service could be improved or if you are dissatisfied with the service that you are receiving please let us know by contacting Chris Allen.
- 17.2 We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may take up the matter with the Association of Chartered Certified Accountants.
- 17.3 As part of our ongoing commitment to providing a quality service, our files are periodically 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 staff at Complete Accounts Limited.

### **18 Communication**

- 18.1 As Internet communications are capable of data corruption we do not accept any responsibility for changes made to such communications after their dispatch. For this reason, it may be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it.
- 18.2 All risks connected with sending commercially sensitive information relating to your business are borne by you and are not our responsibility. If you do not accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.
- 18.3.1 E-mail may be used to enable us to communicate with you. As with any other means of delivery this carries with it the risk of inadvertent misdirection or non-delivery.
- 18.3.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.



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- 18.4 Advice issued by staff should not be relied upon unless it has been confirmed by a director in writing.

### **19 Applicable law**

- 19.1 This engagement letter is governed by, and construed in accordance with, English Law. The Courts of England and Wales 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 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.
- 19.2 All work performed is conducted using the current legislation according to the accounting period. We cannot be held responsible for future development and changes in the legislation.
- 19.3 Legislation which is retrospective in its application could impact on advice given to you by us prior to its introduction. We will not advise on the implications of such retrospective legislation unless you specifically ask us to do so.

### **20 Contracts (Rights of Third Parties) Act 1999**

- 20.1 Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms 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.
- 20.2 The work that is undertaken is designed for the use of the company and its members, the accounts and report should not be distributed by you to any other party without our prior consent.

### **21 Data Protection Act 2018 and General Data Protection Regulation (GDPR)**

- 21.1 The DPA 2018 and GDPR set out a number of requirements in relation to the processing of personal data.
- 21.2 Here at Complete Accounts Limited, we take your privacy and the privacy of the information we process seriously. We will only use your personal information and the personal information you give us access to under this contract to administer your account and to provide the services you have requested from us.
- 21.3 Our privacy notice is available from our website and this sets out our approach to handling your information. In signing the engagement index, you will be indicating that

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you have read and agreed the terms under which we operate as set out in this notice. In addition, please note that we require your agreement on several specific points, which is included as part of the engagement letter index.

#### **(a) Continuity arrangements**

Please note that we have arrangements in place for an alternate to deal with matters in the event of permanent incapacity or illness. This provides protection to you in the event that I cannot act on your behalf, and in signing this letter you agree to the alternate having access to all of the information I hold in order to make initial contact with you and agree the work to be undertaken during my incapacity. You can choose to appoint another agent at that stage if you wish.

#### **(b) Secure communications and transfer of data**

We will communicate or transfer data using the following:

Post/hard-copy documents

Emails – e mails are not password protected or encrypted. You accept the risk associated with this form of communication.

- 21.4 Further information is available in our Data Protection and Security Policy which is available on our website.

## **22 Money Laundering Regulations 2017**

- 22.1 All accountants (both qualified and non-qualified) must comply with onerous duties imposed by anti-money laundering regulations.
- 22.2 In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided, or information disclosed to the National Crime Agency (NCA).
- 22.3 You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.
- 22.4 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.

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- 22.5 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.
- 22.6 Before we accept your instructions, we may need to obtain ‘satisfactory evidence’ to confirm your identity. In certain circumstances, we may need to obtain evidence confirming the identities of third parties, the source of any funds or other property, the purpose of any instructions or any other matter. We may also need to obtain such evidence after we have begun to act on your instructions.
- 22.7 We assume that our clients are honest and law abiding. However, if at any time, there appear to be grounds to suspect (even if we do not actually suspect) that your instructions relate to ‘criminal property’, we are obliged to make a report to the National Crime Agency (NCA). ***Please note: all accountancy service providers are bound by this rule.***
- 22.8 ‘Criminal property’ is property in any legal form, whether money, real estate, rights or any benefit derived from criminal activity. ***It includes undeclared income for tax purposes.*** 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.
- 22.9 Activity is considered ‘criminal’ if it is a crime under UK law, no matter how trivial, and whether carried out in the UK or abroad. ***For example, tax evasion is a criminal offence, but an honest mistake is not.***

#### **22a Bribery Act 2010**

- 22a.1 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.

#### **23 Interpretation**

- 23.1 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.
- 23.2 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.

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### 24 Disengagement / end on contract

- 24.1 Should we resign or be requested to resign a disengagement letter will be issued to ensure that our respective responsibilities are clear.
- 24.2 Should we have no contact with you for a period of 12 months then the engagement will deem to cease.
- 24.3 This engagement can be terminated by either party by providing 1 month notice in writing.
- 24.4 Where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, 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.
- 24.5 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.

### 25 Limitation of liability

- 25.1 The advice which we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it.
- 25.2 The provisions contained within this and our specific terms for services engagement letter set out the respective responsibility of all parties. In respect of the work detailed within this engagement letter we limit our liability to £5000. Additional levels of liability can be agreed in writing following detailed discussions and the agreement of appropriate additional fees.
- 25.3 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.
- 25.4 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.

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- 25.5 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.
- 25.6 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.
- 25.7 You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorized 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.
- 25.8 Where the engagement letter specifies an aggregate limit of liability, then that sum shall be the maximum aggregate liability of this firm/company, its partners/directors agents and employees to all persons to whom the engagement letter is addressed and also any other person that we have agreed with you may rely on our work. By signing the engagement letter, you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it, you should contact us to discuss it before signing the engagement letter.
- 25.9 You have agreed that you will not bring any claim of a kind that is included within the subject of the limit against any of our principals/ directors/members or employees; on a personal basis.

## **26 Other services**

- 26.1 There are many other areas where we can be of assistance and we would be pleased to discuss any of these with you. These services are detailed in our fees and services brochure.
- 26.2 You may request that we provide other services from time to time. If these services will exceed £1000, we will issue a separate letter of engagement and scope of work to be performed accordingly.
- 26.3 Unless a service is listed in the specific terms for services schedule or included in a separate letter of engagement you must assume that it will not be provided by us.
- 26.4 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.

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### **27 Views taken – Interpretation of the legislation**

- 27.1 Very often, we will take a view on a technical issue and how the actual wording should be interpreted. This can always be challenged by the authorities and may lead to a dispute. We will let you know at the earliest possible opportunity should a dispute arise and advise on the best cause of action and any additional costs that may result from this.

### **28 Conflicts of interest**

- 28.1 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.

### **29 Consumer credit**

- 29.1 The firm is not authorised by the Financial Conduct Authority (FCA) for non-credit related activities. We fall within the ACCA DPB regime (FSMA 2000 Part 20) for incidental Consumer Credit services that we provide to you as part of your professional accounting and tax services.

### **30 Intellectual property rights**

- 30.1 We will retain all copyright in any document prepared by us (including spreadsheet design) during the course of carrying out the engagement save where the law specifically provides otherwise.

### **31 Provision of services regulations / Professional Indemnity insurance**

- 31.1 In accordance with our professional body rules we are required to hold professional indemnity insurance. Details about the insurer and coverage can be provided on request.

### **32 VAT registration requirements**

- 32.1 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.
- 32.2 If you exceed the VAT registration threshold, and you wish us to assist you in notifying HMRC of your liability to be VAT registered we will be pleased to assist you in the VAT registration process via a separate engagement letter.
- 32.3 You should notify us of your instructions to assist in your VAT registration in good time to enable a VAT registration form to be submitted within the time limit of one month following the month in which 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.

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32.4 If you provide digital services to consumers in the EC you are responsible for either registering for VAT in that member state or registering for MOSS in the UK.

#### **33 PAYE scheme requirements**

33.1 You are responsible for monitoring the relationships between your business and individuals to whom you pay money. This this relationship is deemed to be an employee / employer relationship you will need to start a PAYE scheme and pay the individuals through PAYE.

33.2 We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.

33.3 We offer a PAYE service via a separate engagement letter.

#### **34 Universal tax credits**

34.1 We do not advice on universal tax credits unless specifically asked to do so and do not monitor your entitlement to such credits.