

TERMS OF BUSINESS October 2024

The following terms of business apply to all engagements accepted by Parity Accounting. All work is carried out under these terms except where changes are expressly agreed in writing.

1. APPLICABLE LAW

- 1.1. My engagement letter, the schedules of services and my 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 England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it on any basis. 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.
- 1.2. I will not accept responsibility if you/the company/the trust/the charity act on advice previously given by me without first confirming with me that the advice is still valid in light of any change in the law or in your/the company's/the trust's/the charity's circumstances. I 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.

2. CLIENT IDENTIFICATION

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

3. CONFIDENTIALITY

- 3.1. Unless I am authorised by you/the company/the trust/the charity to disclose information on your/the company's/the trust's/the charity's behalf, I confirm that if you/the company/the trust/the charity give me confidential information I will, at all times during and after this engagement, keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable to me or my engagement.
- 3.2. You/The Company/The Trust/The Charity agree that, if I act for other clients who are or who become your/the company's/the trust's/the charity's competitors, to comply with my duty of confidentiality it will be sufficient for me to take such steps as I think appropriate to preserve the confidentiality of information given to me by you/the company/the trust/the charity, both during and after this engagement. These may include taking the same or similar steps as I take in respect of the confidentiality of my own information.
- 3.3. In addition, if I act for other clients whose interests are or may be adverse to yours/the company's/the trust's/the charity's, I will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate arrangements for storage of, and access to, information.
- 3.4. You/The Company/The Trust/The Charity agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid any real risk of confidentiality being impaired.
- 3.5. I may, on occasions, subcontract work on your/the company's/the trust's/the charity's affairs to other tax or accounting professionals. The subcontractors will be bound by my client confidentiality terms.
- 3.6. Where I use external or cloud based systems, I will ensure confidentiality of your/the company's/the trust's/the charity's information is maintained.
- 3.7. I reserve the right, for the purpose of promotional activity, training or for other business purposes, to mention that you/the company/the trust/the charity are a client. As stated above, I will not disclose any confidential information.



4. CONFLICTS OF INTEREST

- 4.1. I will inform you/the company/the trust/the charity if I become aware of any conflict of interest in my relationship with you/the company/the trust/the charity or in my relationship with you/the company/the trust/the charity and another client, unless I am unable to do so because of my confidentiality obligations. I have safeguards that can be implemented to protect the interests of different clients if a conflict arises. If conflicts are identified which cannot be managed in a way that protects your/the company's/the trust's/the charity's interests, I regret that I will be unable to provide further services.
- 4.2. If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your/the company's/the trust's/the charity's interests, I will adopt those safeguards. In resolving the conflict, I would be guided by ICAEW's Code of Ethics, which can be viewed at [icaew.com/en/membership/regulations-standards-and-guidance/ethics](https://www.icaew.com/en/membership/regulations-standards-and-guidance/ethics). During and after my engagement, you/the company/the trust/the charity agree that I reserve the right to act for other clients whose interests are or may compete with or be adverse to yours, subject, of course, to my obligations of confidentiality and the safeguards set out in the paragraph on confidentiality above.

5. DATA PROTECTION

- 5.1. In this clause 5, the following definitions shall apply:

'client personal data' means any personal data provided to me by you/the company/the trust/the charity, or on your/the company's/the trust's/the charity's behalf, for the purpose of providing my services to you/the company/the trust/the charity, pursuant to my engagement letter with you/the company/the trust/the charity;

'data protection legislation' means all applicable privacy and data protection legislation and regulations including PECR, the GDPR and any applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time;

'controller', 'data subject', 'personal data', and 'process' shall have the meanings given to them in the data protection legislation;

'GDPR' means the General Data Protection Regulation ((EU) 2016/679); and

'PECR' means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003).

- 5.2. We shall each be considered an independent data controller in relation to the client personal data. Each party will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.
- 5.3. You/The Company/The Trust/The Charity shall only disclose client personal data to me where:
- you/the company/the trust/the charity have provided the necessary information to the relevant data subjects regarding its use (and you/the company/the trust/the charity may use or refer to my privacy notice for this purpose);
 - you/the company/the trust/the charity have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject's consent; and
 - you/the company/the trust/the charity have complied with the necessary requirements under the data protection legislation to enable you/the company/the trust/the charity to do so.
- 5.4. Should you/the company/the trust/the charity require any further details regarding my treatment of personal data, please contact me.
- 5.5. I shall only process the client personal data:
- in order to provide my services to you/the company/the trust/the charity and perform any other obligations in accordance with my engagement with you/the company/the trust/the charity;
 - in order to comply with my legal or regulatory obligations; and



- c) where it is necessary for the purposes of my legitimate interests and those interests are not overridden by the data subjects' own privacy rights. My privacy notice contains further details as to how I may process client personal data.
- 5.6. For the purpose of providing my services to you/the company/the trust/the charity, pursuant to my engagement letter, I may disclose the client personal data to my regulatory bodies or other third parties (for example, my professional advisors or service providers). The third parties to whom I disclose such personal data may be located outside of the European Economic Area (EEA). I will only disclose client personal data to a third party (including a third party outside of the EEA) provided that the transfer is undertaken in compliance with the data protection legislation.
- 5.7. I shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data.
- 5.8. In respect of the client personal data, provided that I am legally permitted to do so, I shall promptly notify you/the company/the trust/the charity in the event that:
- (a) I receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of my processing of their personal data;
 - (b) I am served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of my processing of the client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner's Officer); or
 - (c) I reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.
- 5.9. Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the services provided to you/the company/the trust/the charity in accordance with my engagement letter with you/the company/the trust/the charity in relation to those services.

6. DISENGAGEMENT

- 6.1. If I resign or am asked to resign, I will normally issue a disengagement letter to ensure that our respective responsibilities are clear. If I have no contact with you/the company/the trust/the charity for a period of 6 months or more, I may issue to your/the company's/the trust's/the charity's last known address a disengagement letter and thereafter cease to act.

7. ELECTRONIC AND OTHER COMMUNICATION

- 7.1. Unless you/the company/the trust/the charity instruct me otherwise, I may, if appropriate, communicate with you/the company/the trust/the charity and with third parties by email or other electronic means. The recipient is responsible for virus checking emails and any attachments.
- 7.2. With electronic communication, there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. I use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted in emails or by electronic storage devices. Nevertheless, electronic communication is not totally secure and I cannot be held responsible for damage or loss caused by viruses or for communications which are corrupted or altered after despatch. Nor can I 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/the company/the trust/the charity must bear in return for greater efficiency and lower costs. If you/the company/the trust/the charity do not wish to accept these risks, please let me know and I will communicate by paper mail, other than when electronic submission is mandatory.
- 7.3. Any communication by me with you/the company/the trust/the charity sent through the postal system is deemed to arrive at your/the company's/the trust's/the charity's postal address two working days after the day the document was sent.

8. FEES AND PAYMENT TERMS

- 8.1. My fees may depend, not only upon the time spent on your/the company's/the trust's/the charity's affairs, but also on the level of skill and responsibility and the importance and value of the advice I provide, as well as the level of risk.
- 8.2. If I provide you/the company/the trust/the charity with an estimate of my fees for any specific work, the estimate will not be contractually binding unless I explicitly state that will be the case.
- 8.3. If requested, I may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not my 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 me, due to unforeseen circumstances, that a fee quote is inadequate, I reserve the right to notify you/the company/the trust/the charity of a revised figure or range and to seek your/the company's/the trust's/the charity's agreement thereto.
- 8.4. In some cases, you/the company/the trust/the charity may be entitled to assistance with your/the company's/the trust's/the charity's professional fees, particularly in relation to any investigation into your/the company's/the trust's/the charity's tax affairs by HMRC. Assistance may be provided through insurance policies you/the company/the trust/the charity hold or via membership of a professional or trade body. Other than where such insurance was arranged through me, you/the company/the trust/the charity will need to advise me of any such insurance cover you/the company/the trust/the charity have. You/The Company/The Trust/The Charity will remain liable for my fees regardless of whether all or part are liable to be paid by your/the company's/the trust's/the charity's insurers.
- 8.5. My invoices will be due for payment within 30 days of issue. My fees are exclusive of VAT which will be added where it is chargeable. Any disbursements I incur on your/the company's/the trust's/the charity's behalf, and expenses incurred in the course of carrying out my work for you/the company/the trust/the charity, will be added to my invoices where appropriate.
- 8.6. Unless otherwise agreed to the contrary, my fees do not include the costs of any third party, counsel or other professional fees. If these costs are incurred to fulfil my engagement, such necessary additional charges may be payable by you/the company/the trust/the charity.
- 8.7. I reserve the right to charge interest on late paid invoices at the rate of 8% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. I also reserve the right to suspend my services or to cease to act for you/the company/the trust/the charity, having given written notice, if payment of any fees is unduly delayed. I intend to exercise these rights only if it is fair and reasonable to do so.
- 8.8. If you/the company/the trust/the charity do not accept that an invoiced fee is fair and reasonable, you/the company/the trust/the charity must notify me within 21 days of receipt, failing which, you/the company/the trust/the charity will be deemed to have accepted that payment is due.
- 8.9. If a client company, trust, charity or other entity is unable or unwilling to settle my fees, I reserve the right to seek payment from the individual (or parent company) giving me instructions on behalf of the client, and I shall be entitled to enforce any sums due against the group company or individual nominated to act for you/the company/the trust/the charity.

9. HELP ME TO GIVE YOU/THE COMPANY/THE TRUST/THE CHARITY THE BEST SERVICE

- 9.1. I am committed to providing you/the company/the trust/the charity with a high quality service that is both efficient and effective. If, at any point you/the company/the trust/the charity would like to discuss with me how my service to you/the company/the trust/the charity could be improved, or if you/the company/the trust/the charity are dissatisfied with the service you/the company/the trust/the charity are receiving, please let me know.
- 9.2. I undertake to look into any complaint carefully and promptly and to do all I can to explain the position to you/the company/the trust/the charity. If I do not answer your/the company's/the trust's/the charity's complaint to your/the company's/the trust's/the charity's satisfaction, you/the company/the trust/the charity may, of course, take up the matter with my professional body, ICAEW.

10. INTELLECTUAL PROPERTY RIGHTS AND USE OF MY NAME

- 10.1. I will retain all intellectual property rights in any document prepared by me during the course of carrying out the engagement except where the law specifically states otherwise.
- 10.2. You/The Company/The Trust/The Charity are not permitted to use my name in any statement or document you/the company/the trust/the charity may issue unless my 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.

11. INTERPRETATION

- 11.1. If any provision of my engagement letter or terms of business is held to be void, 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.

12. INTERNAL DISPUTES WITHIN A CLIENT

- 12.1. If I become aware of a dispute between the parties who own the business, or who are in some way involved in its ownership and management, it should be noted that my client is the business and I would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all parties, I will continue to supply information to the normal place of business for the attention of the directors. If conflicting advice, information or instructions are received from different directors in the business, I will refer the matter back to the board of directors and take no further action until the board has agreed the action to be taken.

13. INVESTMENT ADVICE (INCLUDING INSURANCE MEDIATION SERVICES)

- 13.1. Investment business is regulated by the Financial Services and Markets Act 2000. If, during the provision of professional services to you/the company/the trust/the charity, you/the company/the trust/the charity need advice on investments including insurances, I may have to refer you/the company/the trust/the charity to someone who is authorised by the Financial Conduct Authority, as I am not.

14. LIEN

- 14.1. Insofar as I am permitted to so by law or by professional guidelines, I reserve the right to exercise a lien over all funds, documents and records in my possession relating to all engagements for you/the company/the trust/the charity until all outstanding fees and disbursements are paid in full.

15. LIMITATION OF THIRD PARTY RIGHTS

- 15.1. The advice and information I provide to you/the company/the trust/the charity as part of my service is for your/the company's/the trust's/the charity's sole use, and not for any third party to whom you/the company/the trust/the charity may communicate it, unless I have expressly agreed in the engagement letter that a specified third party may rely on my work. I 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 my work for you/the company/the trust/the charity which you/the company/the trust/the charity make available to them. A party to this agreement is the only person who has the right to enforce any of its terms, and no rights or benefits are conferred on any third party under the Contracts (Rights of Third Parties) Act 1999.

16. PERIOD OF ENGAGEMENT AND TERMINATION

- 16.1. Unless otherwise agreed in my engagement letter, my work will begin when I receive implicit or explicit acceptance of that letter. Except as stated in that letter, I will not be responsible for periods before that date.
- 16.2. Each of us may terminate my agreement by giving not less than 21 days' notice in writing to the other party except if you/the company/the trust/the charity fail to cooperate with me or I have reason to believe that you/the company/the trust/the charity have provided me or HMRC with misleading information, in which case I may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us before termination.
- 16.3. I reserve the right to terminate the engagement between us with immediate effect in the event of: your/the company's/the trust's/the charity's insolvency, bankruptcy or other arrangement being reached with creditors; an independence issue or change in the law which means I can no longer act; failure to pay my fees by the due dates; or either party being in breach of their obligations if this is not corrected within 30 days of being asked to do so.
- 16.4. In the event of termination of my contract, I will endeavour to agree with you/the company/the trust/the charity the arrangements for the completion of work in progress at that time, unless I am required for legal or regulatory reasons to cease work immediately. In that event, I will not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

17. PROFESSIONAL RULES AND STATUTORY OBLIGATIONS



17.1. I will observe and act in accordance with the Bye-laws, regulations and Code of Ethics of ICAEW and will accept instructions to act for you/the company/the trust/the charity on this basis. In particular you/the company/the trust/the charity give me the authority to correct errors made by HMRC if I become aware of them. I will not be liable for any loss, damage or cost arising from my compliance with statutory or regulatory obligations. You/The Company/The Trust/The Charity can see copies of these requirements in my offices.

18. QUALITY CONTROL

18.1. As part of my ongoing commitment to provide a quality service, my practice is periodically reviewed by the ICAEW.

18.2. When dealing with HMRC on your/the company's/the trust's/the charity's behalf I am required to be honest and to take reasonable care to ensure that your/the company's/the trust's/the charity's returns are correct. To enable me to do this, you/the company/the trust/the charity are required to be honest with me and to provide me with all necessary information in a timely manner. For more information about 'Your Charter' for your/the company's/the trust's/the charity's dealings with HMRC, visit www.gov.uk/government/publications/your/the-company/s-the-trust/s-the-charity/s-charter. To the best of my abilities, I will ensure that HMRC meet their side of the Charter in their dealings with you/the company/the trust/the charity.

19. RELIANCE ON ADVICE

19.1. I 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 I provide oral advice (for example, during the course of a meeting or a telephone conversation) and you/the company/the trust/the charity wish to be able to rely on that advice, you/the company/the trust/the charity must ask for the advice to be confirmed by me in writing.

20. RETENTION OF PAPERS

20.1. You/The Company/The Trust/The Charity have a legal responsibility to retain documents and records relevant to your/the company's/the trust's/the charity's financial affairs. During the course of my work I may collect information from you/the company/the trust/the charity and others relevant to your/the company's/the trust's/the charity's tax and financial affairs. I will return any original documents to you/the company/the trust/the charity if requested. Documents and records relevant to your/the company's/the trust's/the charity's tax affairs are required by law to be retained as follows:

Individuals, trustees and partnerships:

- a) with trading or rental income: five years and 10 months after the end of the tax year
- b) otherwise: 22 months after the end of the tax year.

Companies, Limited Liability Partnerships, and other corporate entities:

- c) six years from the end of the accounting period.

20.2. Although certain documents may legally belong to you/the company/the trust/the charity, I may destroy correspondence and other papers that I store electronically or otherwise that are more than seven years old, except documents I think may be of continuing significance. You/The Company/The Trust/The Charity must tell me if you/the company/the trust/the charity wish me to keep any document for any longer period.

21. THE PROVISION OF SERVICES REGULATIONS 2009

21.1. My professional indemnity insurer is Royal & Sun Alliance Insurance Plc, of 9th Floor, One Plantation Place, 30, Fenchurch Street, London EC3M 3BD. The territorial coverage is worldwide, excluding professional business carried out from an office in the United States of America or Canada, and excludes any action for a claim brought in any court in the United States or Canada.

22. TIMING OF MY SERVICES

22.1. If you/the company/the trust/the charity provide me with all information and explanations on a timely basis in accordance with my requirements, I will plan to undertake the work within a reasonable period of time to meet any regulatory deadlines. However, failure to complete my services before any such regulatory deadline would not, of itself, mean that I am liable for any penalty or additional costs arising.