



Scope of Work and Terms and Conditions 2018

General Matters

The following standard terms of business apply to all engagements accepted by Nabarro. This states your and our responsibilities in relation to the work carried out. All work carried out is subject to these terms except where changes are expressly agreed in writing.

This document supersedes any previous engagement letter. Once agreed, this document will remain effective until it is replaced, you or we may agree to vary or terminate our authority to act on your behalf at any time without penalty. This document constitutes the entire contract between us and any proposed variations or termination must be given in writing.

1. Professional obligations

- 1.1. We will observe the byelaws, regulations and ethical guidelines of the Institute of Chartered Accountants in England & Wales and accept instructions to act for you on the basis that we will act in accordance with those guidelines. Copies of these requirements are available for inspection in our offices.
- 1.2. Where you give us confidential information we shall at all times keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable to this engagement.
- 1.3. We reserve the right to act during this engagement for other clients whose interests may be adverse to yours. We will notify you immediately should we become aware of any conflict of interest to which we are subject in relation to you.

2. Investment business

- 2.1 Although we are not authorised by the Financial Services Authority (FSA) to conduct investment business, we are licensed by the Institute of Chartered Accountants in England & Wales to provide certain limited investment services where these are complementary to, or arise out of, the professional services we are providing to you.

2.1.1 In particular, we may:

- advise you on investments generally, but not recommend a particular investment or type of investment;
- refer you to a Permitted Third Party (PTP) (an independent firm authorised by the FSA), assist you and the PTP during the course of any advice given by that party and comment on, or explain, the advice received (but not make alternative recommendations). The PTP will issue you with his own terms and conditions letter, will be remunerated separately for his services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000;
- advise you in connection with the disposal of an investment, other than your rights in a pension policy or scheme;

- advise and assist you in transactions concerning shares or other securities not quoted on a recognised exchange;
- assist you in making arrangements for transactions in investments in certain circumstances; and
- manage investments or act as trustee (or donee of a power of attorney) where decisions to invest are taken on the advice of an authorised person.

2.2 If appropriate the PTP will advise you in writing of the amount and terms of payment of commissions which they receive. In some circumstances commissions or other benefits may become payable to us by the PTP in respect of transactions which we introduce to them. You have the right to require us to return the amount of commission to you and we may only retain this amount with your express written consent.

2.3 In the event of any commission being received by us from a PTP in respect of transactions carried out on your behalf we will write to you advising you of the amount received. We will also seek your authorisation to retain the full amount of that commission. If we receive your authorisation, and unless otherwise agreed, no fees will be charged in respect of Investment Business Advice.

3. Client monies

3.1. 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' Money Regulations of the Institute of Chartered Accountants in England and Wales.

3.2. If the total sum of money held on your behalf is such that a material amount of interest would arise, or would likely arise, then the money will be placed in an interest bearing client bank account. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.

4. Fees

4.1. Our fees, which are based upon the recommendations of the Institute of Chartered Accountants in England and Wales, will take account of the degree of skill and responsibility involved and the time necessary to complete the work. Fees will normally be charged as work is completed.

4.2. If it is necessary to carry out work outside the responsibilities outlined in this letter, it will involve additional fees. Accordingly, we would like to point out that it is in your interest to ensure that your records etc are completed to the agreed stage.

4.3. Our terms relating to payment of amounts invoiced are strictly thirty days net.

5. Retention of and access to records

5.1. During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following the preparation of your financial statements and returns.

5.2. Whilst certain documents may legally belong to you, we intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we consider to be of continuing significance. If you require retention of any document you must notify us of that fact in writing.

6. Quality control

As part of our ongoing commitment to providing a quality service, our files are periodically subject to an independent quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our principals and staff.

7. Help us to give you the right service

7.1. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know, by telephoning M F Gibbons.

7.2. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If you feel that we have given you a less than satisfactory service, we undertake to do

everything reasonable to address your concerns. If you are still not satisfied, you may of course take up matters with the Institute of Chartered Accountants in England and Wales.

8. Applicable law

This engagement letter is governed by, and construed in accordance with English law. The Courts of England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning 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

9. Electronic communication

9.1. Internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. We do not accept responsibility for any errors or problems that may arise through the use of internet communication and all risks connected with sending commercially sensitive information relating to your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.

9.2. It is the responsibility of the recipient to carry out a virus check on any attachments received.

10. Data Protection

10.1 We are committed to ensuring the protection of the privacy and security of any personal data which we process.

10.2 In this clause the following definitions shall apply:

‘client personal data’ means any personal data provided to us by you, or on your behalf, for the purpose of providing our services to you, pursuant to our engagement letter with you;

‘data protection legislation’ means all applicable privacy and data protection legislation and regulations including Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003), the General Data Protection Regulation ((EU) 2016/679) 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;

10.3 We shall only process the client personal data:

- a. in order to provide our services to you and perform any other obligations in accordance with our engagement with you;
- b. in order to comply with our legal or regulatory obligations; and
- c. where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects’ own privacy rights.

10.4 Our privacy notice is available on our website.

10.5 For the purpose of providing our services to you we may disclose the client personal data to our regulatory bodies or other third parties (for example, our service providers. We 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.

10.6 We 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.

- 10.7 In respect of the client personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:
- (a) we 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 our processing of their personal data;
 - (b) we are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the client personal data from a supervisory authority as defined in the data protection legislation; or
 - (c) we 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.
- 10.8 Should you require any further details regarding our treatment of personal data, please contact M F Gibbons.

11. Contracts (Rights of Third Parties) Act 1999

- 11.1 Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person that exists or is available otherwise than pursuant to that Act.
- 11.2 The advice that we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it. We accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

12. Limitation of liability

- 12.1 We will provide our professional services with reasonable care and skill. However, we will not be held responsible for any losses arising from the supply by you or others of incorrect or incomplete information, or your or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or other relevant authorities.
- 12.2 You agree to hold harmless and indemnify us against any representation, whether intentional or unintentional, supplied to us orally or in writing in connection with this agreement. You have agreed that you will not bring any claim in connection with services provided to you by the firm against any of our employees on a personal basis.
- 12.3 Unless there is a legal or regulatory requirement to do so, our work is not to be made available to third parties without our written permission and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.
- 12.4 Our liability is limited to 10 times the fee charged for any piece of work.
- 12.5 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, practice, public policy or in your circumstances.
- 12.6 We will accept no liability for losses arising from changes in the law (or the interpretation thereof), practice or public policy that are first published after the date on which the advice is given.

13. Money Laundering Regulations

In common with all accountancy and legal practices, we are required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 to:

- maintain identification procedures for all new clients;
- maintain records of identification evidence; and
- report, in accordance with the relevant legislation and regulations, to the Serious Organised Crime Agency.

14. Provision of Services Regulations 2009

In accordance with the above we advise that our professional indemnity insurer is arranged by the Managing General Agent Omnyy and with effect from 1st May 2018 the insurance is provided by a number of underwriters at Lloyd's. Any future changes to insurer will be published on our website.

15. Agreement of terms

- 15.1 These terms will be valid whether issued by post or email.
- 15.2 Once issued the terms are deemed to be agreed unless a specific objection is raised.
- 15.3 Once agreed, the terms will remain effective until replaced, continued instructions will be deemed to be acceptance.

Accounts Preparation Services for Limited Companies, Individuals and Partnerships

1. Your Duties as Proprietor, Partners or Director

- 1.1 You are required to prepare accounts for each financial year that give a true fair view of the state of affairs of the business and of the profit or loss of the business for that period. In preparing those financial statements, you are required to:
 - select suitable accounting policies and then apply them consistently;
 - make judgements and estimates that are reasonable and prudent; and
 - prepare the accounts on the going concern basis unless it is inappropriate to presume that the business will continue in business.
- 1.2 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 financial statements, and you will disclose to us all relevant information in full.
- 1.3 You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the financial statements, 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.
- 1.4 You will approve and sign the financial statements to acknowledge responsibility for them, including the appropriateness of the accounting basis, and acknowledge responsibility for providing us with all information and explanations necessary for their compilation. Approval by email will be treated as signature and approval.
- 1.5 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 detecting any that occurs.
- 1.6 You are responsible for keeping proper accounting records. Such records should be sufficient to satisfy the requirements of H M Revenue and Customs and enable any enquiries made by them to be satisfactorily dealt with.
- 1.7 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. If you exceed the UK 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. 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 exceed the VAT registration threshold in force at that time. We will not be responsible if you fail to notify us in time and, as a result, incur a late registration penalty. The same applies for equivalent non-UK taxes

2. Our Duties as Accountants

- 2.1 We do not have any statutory responsibilities to the business at all. Our only responsibilities arise from those specifically agreed upon between us in respect of other professional services.
- 2.2 Our work will not be an audit of the accounts in accordance with Auditing Standards. Accordingly, we will not obtain any evidence relating to entries in the accounting records, or to the accounts or to the disclosures in the accounts. Nor will we make any assessment of the estimates and judgements made by you in the preparation of the accounts. Consequently, our work will not provide any assurance that the accounting records or the accounts are free from material misstatement, whether caused by fraud, or other irregularities or error. In addition, we have no responsibility to determine whether you have maintained proper accounting records and we will not address this point unless you specifically request us, in writing, to do so.
- 2.5 Since we have not carried out an audit, nor confirmed in any way the accuracy of reasonableness of the accounting records maintained by the company, we are unable to provide any assurance as to whether the accounts that we prepare from those records present a true and fair view.

- 2.6 As part of our normal procedures when preparing the accounts, we will attach an Accountant's Report to them. This report will state that they have been prepared from the books and records of the business and from information supplied by you. Since we have not undertaken an audit, the report will state that we do not form an opinion or any other form of assurance on them. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's Board of Directors, as a body for our work or for this report. If you wish to share this report with third parties, before doing so, you must discuss this with us, receive our consent and follow any stipulated conditions.
- 2.7 If you have instructed us to prepare monthly or quarterly management accounts the same processes will apply.

3. Preparation and Maintenance of Accounting Records

- 3.1 If you have instructed us to prepare and maintain your accounting records for each period for which we continue to act we will agree with you the division of responsibilities for:
- a) keeping the records of receipts and payments;
 - b) writing up the accounting records of the business
 - a) completing the postings to the nominal ledger
 - b) reconciling the balances monthly with the bank statements;
 - c) posting and balancing the purchases and sales ledgers;
 - d) extracting a detailed list of ledger balances;
 - e) preparing details of the annual stocktaking; and
 - f) preparing details of work-in-progress.

Limited Company Statutory Accounts Services

1. Your Duties as directors

1.1 As directors of the company, you are required to prepare accounts for each financial year that give a true fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, you are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

You are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and with the Companies Act 2006 (the Act). As director you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company.

1.2 You are also responsible for determining whether, in respect of the year, the company meets the conditions for exemption from an audit, set out in Section 477 of the Act, namely:

- it qualifies as a small company in relation to that year for the purposes of Section 444;
- its turnover in that year is not more than £10.2 million; and
- its Balance Sheet total for the year is not more than £5.1 million.

1.3 You are also responsible for determining whether, in respect of the year, the exemption is not available for any of the reasons set out in Section 478 of the Act, namely that at no time during the year was the company itself or in a group containing:

- a public company;
- a banking or insurance company; or
- carrying on any insurance market activity.

1.4 The exemptions are only available if you as directors sign a statement on the Balance Sheet stating that:

- for the year in question, the company is eligible to take advantage of the audit exemptions;
- that no member or members holding more than 10% of the issued share capital have requested an audit; and
- you acknowledge your obligations to keep proper accounting records and to prepare accounts that give a true and fair view of the company's position.

2. Our Duties as Accountants

2.1 Where the company does not require an audit then we have no statutory responsibilities to the company at all. Our only responsibilities arise from those specifically agreed upon between us in respect of other professional services.

2.2 We do not have any responsibility to report whether any shareholder of the company has notified the company that he or she requires an audit. Consequently, we have no responsibility to carry out any work in respect of this matter.

2.3 Should our work indicate that the company is not entitled to exemption from an audit of the accounts we will inform you of this. In these circumstances, if appropriate, we will discuss with you the need to appoint us as auditors.

2.4 Our work will not be an audit of the accounts in accordance with Auditing Standards. Accordingly, we will not obtain any evidence relating to entries in the accounting records, or to the accounts or to the disclosures in the accounts. Nor will we make any assessment of the estimates and judgements made by you in the preparation of the accounts. Consequently, our work will not provide any assurance that

the accounting records or the accounts are free from material misstatement, whether caused by fraud, or other irregularities or error. In addition, we have no responsibility to determine whether you have maintained proper accounting records in accordance with Section 386 of the Act, and we will not address this point unless you specifically request us, in writing, to do so.

2.5 The basis of the preparation of accounts is set out in accounts preparation service above.

3 Filing Accounts with Companies House and HMRC

3.1 A private company is required to file its accounts at Companies House within 9 months of the year end. The company will be liable to a fine if it fails to do so. In order to avoid this we will produce statutory accounts, suitable for filing, within the required period, provided all your records are complete and presented to us within five months of the year end, and all subsequent queries are promptly and satisfactorily answered.

3.2 We will discuss with you and if instructed file electronically on your behalf, the accounts to be submitted to Companies House from the range of Filleted, Abridged or Micro entity accounts.

3.3 You have instructed us to convert the financial statements into the iXBRL (inline eXtensible Business Reporting Language) format which is required by HMRC. We will use professional software to create the tagged financial statements and you therefore agree that we can process any standard data tags without your prior approval, only referring back to you for any non-standard or judgemental areas. It remains your legal responsibility to provide the information in the iXBRL format.

Personal, Partnership, Corporate and Trust & Estate Tax Services

1. Your Responsibilities: Provision of Information by You

- 1.1 You are legally responsible for making full and complete returns by the due date and for payment of tax on time, taxpayers cannot delegate this responsibility. Failure to meet the deadlines may result in automatic penalties, surcharges and/or interest.
- 1.2 To enable us to carry out our work you agree:
 - to check that returns that we have prepared for you are complete and that any assumptions or estimates are valid before you approve and sign them.
 - that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
 - to provide full information necessary for dealing with your affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
 - that we can approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs;
 - to provide us with information in sufficient time for your tax return to be completed and submitted by the appropriate due date to do this , we need to receive all relevant information five months before the due date
 - you will authorise HMRC to deal with us as your agent, although HMRC still consider that you should still take reasonable care over your tax affairs.
 - to forward to us any documents received from HM Revenue & Customs in sufficient time for us to deal with them. This is notwithstanding that HMRC have authority to deal with us as some documents are sent to the taxpayer only; and
 - to keep us informed about significant changes in your circumstances if they are likely to affect your tax position.

2 Our responsibilities

- 2.1 We will prepare the income tax computations based on the accounts of your business from the accounting records and other information and explanations provided by you.
- 2.2 We will prepare your personal tax return and any supplementary pages required together with such supporting schedules as are appropriate and we will prepare your self-assessment of tax and Class 4 national insurance contributions.
- 2.3 We will send you your tax return and where appropriate business accounts and supporting schedules for you to approve and sign. We will then electronically submit the return to HM Revenue & Customs.
- 2.4 We will tell you how much tax and national insurance contributions you should pay and when. If appropriate we will initiate repayment claims when tax and national insurance contributions have been overpaid.
- 2.5 We will deal with HM Revenue & Customs regarding any amendments required to your return and prepare any amended returns that may be required.
- 2.6 Other than as regards tax credits we will advise as to possible claims and elections arising from the tax return and from information supplied by you. Where instructed by you, we will make such claims and elections in the form and manner required by HM Revenue & Customs.
- 2.7 We will deal with all communications relating to your return addressed to us by HM Revenue & Customs or passed to us by you. However, if HM Revenue & Customs choose your return for enquiry this work may need to be the subject of a separate assignment in which case we will seek further instructions from you.
- 2.8 We will check PAYE notices of coding where such notices are forwarded to us.
- 2.9 If we agree to advise you on tax credits we will issue a separate letter or schedule to cover this area. Tax credits are, in effect, a social security benefit. Your entitlement or otherwise will depend not only on your own circumstances but also those of your household and we would require all relevant information to advise in this regard.

Payroll Services

1 Recurring compliance work

- 1.1 We will prepare your UK payroll for each payroll period to meet UK employment tax requirements, specifically:
 - a. calculating the pay as you earn (PAYE) income tax deductions, including at the Scottish rate of income tax, if applicable;
 - b. calculating the employees' national insurance contributions (NIC) deductions;
 - c. calculating the employer's NIC liabilities;
 - d. calculating statutory payments, for example, statutory sick pay and/or statutory maternity pay;
 - e. calculating employee and employer pension contributions for employees who are members of workplace pension schemes on the basis of the information that you provide to us;
 - f. processing any employee and employer pension contribution refunds through the payroll on the basis of the information that you provide to us;
 - g. calculating other statutory and non-statutory deductions; and
 - h. submitting information online to HMRC under Real Time Information (RTI) for PAYE.
- 1.2 Before the time of payment through the payroll or due date, we will prepare and send to you the following documents for delivering information to HMRC:
 - a. payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
 - b. the data included within each Full Payment Submission (FPS) for taxable pay for each employee;
 - c. a payslip for each employee;
 - d. a form P45 for each leaver;
 - e. a report showing your PAYE and NIC liability, student loan repayments; and
 - f. a workplace pension contributions report showing i) any employee and employer pension contributions payable in respect of each employee to the respective workplace pension scheme(s) of which they are members and the due date(s) for payment; ii) any employee pension contribution refunds payable to any employee; and iii) any employer pension contribution refunds due to you for any employee who has ceased membership of the scheme(s)..
- 1.3 We will submit FPS online to HMRC [after the data to be included therein has been approved/on the basis of the data provided] by you. (FPS must normally reach HMRC on or before the contractual payday, ie, the date that employees are entitled to be paid). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below.
- 1.4 For each tax month we will prepare, if appropriate, an Employer Payment Summary (EPS) from the information and explanations that you provide to us.
- 1.5 We will submit EPS online to HMRC on the basis of the data provided by you. (EPS must reach HMRC by the 19th of the month following the tax month to which they relate.) You must ensure that the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below.
- 1.6 At the end of the tax year we will:
 - a. prepare the final FPS (or EPS) and submit this to HMRC [after the data to be included therein has been approved/on the basis of the data provided] by you; (the due date for submitting final FPS is on or before the last contractual payday of the tax year, failing which, the final EPS for the year must reach HMRC by 19 April following the end of the tax year;) you must ensure that the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out below;
 - b. prepare and send to you Form P60 for each employee on the payroll at the year-end so you can give them to employees by the statutory due date of 31 May following the end of the tax year;

- 1.7 We will deal with any online secure messages sent to us by HMRC in respect of your payroll, for example, code number notifications, student loan repayment notices, and generic notification notices.
- 1.8 We will submit national insurance number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

2 Your responsibilities

- 2.1 Even though you are engaging us to help you meet your payroll obligations, you are legally responsible for:
- g) ensuring that the data in your payroll submissions is correct and complete;
 - h) complying with auto-enrolment obligations;
 - i) making any submissions by the due date; and
 - j) paying tax and NIC on time.

Employers cannot delegate these legal responsibilities to others, failure to do any of the above may lead to penalties and/or interest.

- 2.1 You agree to check that submissions we have prepared for you are correct and complete before approving them, If we do not hear from you by the above deadlines, subject to any other agreement between us, we will take your silence as your approval for us to submit the return.
- 2.2 If the information required to complete the payroll services set out above is received later than the dates specified above or agreed with us, we will still endeavour to process the payroll and returns to meet the filing deadlines; but we will not be liable for any costs or other losses arising if the payroll is late or the returns are filed late in these circumstances.

3 Benefits in kind

If required we will complete forms P11D for the directors and higher paid employees for approval and submission by you to HM Revenue & Customs. You agree to supply us with complete and accurate details of all benefits and expenses for the tax year (not the accounts year) within 14 days of the end of the tax year in the format to be agreed You will supply the form P11D information to your employees by the due date.

4 Data Protection

- 4.1 We are committed to ensuring the protection of the privacy and security of any personal data which we process. Our commitment to Data Protection as a Data Controller is included above but for the purposes of payroll processing we will act on your behalf as a Data Processor and you will be the Data Controller.
- 4.2 In respect of the client personal data, unless otherwise required by applicable laws or other regulatory requirements, we shall:
- a. process the client personal data only in accordance with your lawful written instructions, in order to provide you with the services pursuant to our engagement with you and in accordance with applicable data protection legislation;
 - b. disclose and transfer the client personal data to [members of our firm's network,] our regulatory bodies or other third parties (for example, our professional advisors or service providers) as and to the extent necessary in order to provide you with the services pursuant to our engagement with you in relation to those services;
 - c. disclose the client personal data to courts, government agencies and other third parties as and to the extent required by law;
 - d. maintain written records of our processing activities performed on your behalf which shall include:
 - (i) the categories of processing activities performed;
 - (ii) details of any on cross border data transfers outside of the European Economic Area (EEA); and
 - (iii) a general description of security measures implemented in respect of the client personal data;

- e. maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of any client personal data and against accidental loss or destruction of, or damage to, such client personal data.
 - f. return or delete all the client personal data upon the termination of the engagement with you pursuant to which we agreed to provide the services;
 - g. ensure that only those personnel who need to have access to the client personal data are granted access to it and that all of the personnel authorised to process the client personal data are bound by a duty of confidentiality;
 - h. notify you if we appoint a sub-processor (but only if you have given us your prior written consent, such consent not to be reasonably withheld or delayed) and ensure any agreement entered into with the relevant sub-processor includes similar terms as the terms set out in this clause;
 - i. where we transfer the client personal data to a country or territory outside the EEA to do so in accordance with data protection legislation;
 - j. notify you promptly if:
 - i. we 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 the client personal data; or
 - ii. we are served with an information or assessment notice, or receive any other material communication in respect of our processing of the client personal data from a supervisory body (for example, the Information Commissioner's Officer);
 - k. notify you, without undue delay, in the event that we reasonably believe that there has been a personal data breach in respect of the client personal data;
 - l. at your cost and upon receipt of your prior written notice, allow you, on an annual basis and/or in the event that we notify you of personal data breach in respect of the client personal data, reasonable access to the relevant records, files, computer or other communication systems, for the purposes of reviewing our compliance with the data protection laws.
- 4.3 Without prejudice to the generality of clause 4.2, you will ensure that you have all necessary appropriate consents and notices in place to enable the lawful transfer of the client personal data to us.

VAT Services

1. You have asked us to undertake the completion of your VAT returns. We cannot be held responsible for any penalties or default surcharges arising from the late submission of VAT returns. However, we will endeavour to meet the relevant deadlines if we receive all the company's VAT records within 14 days of the end of the VAT return period.
2. You have undertaken that you will ensure that:
 - all relevant VAT records are received by us within 14 days of the end of the VAT return period;
 - valid VAT invoices are received for all payments where VAT is being reclaimed;
 - the VAT rating of supplies is correctly dealt with, i.e. between positive and zero rates and exempt supplies;
 - any input VAT on non-business expenditure is clearly marked on supporting invoices;
 - we are notified each quarter of any payments to or for the benefit of directors or staff for fuel used for private mileage, together with the business mileage for each such person, for each quarter;
 - all supplies made by the business are shown in the records made available to us.