



wisteria

**Wisteria Limited**

Wisteria Chartered Accountants, Tax & Business Advisers

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## STANDARD TERMS AND CONDITIONS OF BUSINESS

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

### 1.0 Applicable law

- 1.1 Our engagement letter, the schedules of services and our standard terms and conditions of business are governed by, and should be construed in accordance with English law. Each party agrees that the courts of 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.

### 2.0 Client identification

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

### 3.0 Client money

- 3.1 We may, from time to time, hold money on your behalf. The money will be held in trust in a client bank account, which is segregated from the firm's funds. 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 enough to give rise to a significant amount of interest or is likely to do so, then we will put the money in a designated interest-bearing client bank account and pay the interest to you. Subject to any tax legislation, interest will be paid gross. You must inform us in advance of making a payment to our client if you consider the amount will give rise to a significant amount of interest. Otherwise no interest will be paid.
- 3.3 We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are unclaimed and the client to which they relate has remained untraced for five years or we as a firm cease to practise then we may pay those monies to a registered charity.

### 4.0 Commissions or other benefits

- 4.1 In some circumstances we may receive commissions or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. The fees you would otherwise pay will not be reduced by the amount of the commissions or benefits. You agree that we or our associates, can retain the commission or other benefits without being liable to account to you for any such amounts.

Examples of likely commissions that might be received include:

- If we make a referral to a bank following which a bank account is opened we could receive a commission of up to £55.
- If we make a referral to an R&D tax credit specialist we could receive up to 20% of their fee, which in turn is usually 20% of the corporation tax paid.
- If we make a referral to an independent financial advisor who sets up a regular premium pension we could receive 20% of the Adviser Charge payable. For example, for a monthly premium of £100, the Adviser Charge may be up to £600 of which Wisteria could receive up to £120.

These are only examples and may not cover all commission payments received  
Terms from September 2016

in the future.

### 5.0 Complaints

- 5.1 We are committed to providing you with a high quality service that is both efficient and effective. However, should there be any cause for complaint in relation to any aspect of our service please contact Andrew Millet. We agree to look into any complaint carefully and promptly and do everything reasonable to put it right. If you are still not satisfied you can refer your complaint to our professional body, the Institute of Chartered Accountants in England and Wales.

### 6.0 Confidentiality

- 6.1 Unless we are authorised by you to disclose information on your behalf, we confirm that where you give us confidential information we shall at all times during and after this engagement keep it confidential, except as required by law, by our insurers or as provided for in regulatory, ethical, or other professional pronouncements or as part of an external peer review applicable to us or our engagement. This undertaking will apply during and after this engagement.
- 6.2 In addition, if we act for other clients whose interests are or may be adverse to yours, we will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate teams, physical separation of teams, and separate arrangements for storage of and access to information.
- 6.3 You 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.
- 6.4 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.
- 6.5 We reserve the right, for the purpose of promotional activity, training or for other business purpose, to mention that you are a client. As stated above we will not disclose any confidential information.

### 7.0 Conflicts of interest

- 7.1 We will inform you if we become aware of any conflict of interest in our relationship with you or in our relationship with you and another client unless we are unable to do so because of our confidentiality obligations. We have safeguards that can be implemented to protect the interests of different clients if a conflict arises. Where conflicts are identified which cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services.
- 7.2 If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests then we will adopt those safeguards. You agree that we reserve the right to act during and after our engagement for other clients whose interests are or may be competing with or adverse to yours subject of course to our obligations of confidentiality and the safeguards set out in the paragraph on confidentiality above.

### 8.0 Data protection

- 8.1 This clause applies to personal data provided by or on behalf of you in connection with an agreement to provide business services or any engagement letter. Each party shall comply with the Data Protection Act 1998 (DPA) when processing such personal data. In particular, you shall ensure that any disclosure of personal data to us complies with the DPA.
- 8.2 We shall use appropriate technical and organisational measures to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data. We shall not sub-contract any processing of personal data unless that personal data continues to be subject to an appropriate level of protection. To the extent we act as data processor for you, we shall only process personal data in accordance with your instructions.
- 8.3 We shall notify you in 10 working days in the event of an individual asking

for copies of their personal data, a complaint about processing of personal data or a notice from a relevant Data Protection Authority. You and we shall consult and co-operate with each other when responding to any such request, complaint or notice.

8.4 We shall answer your reasonable enquiries to enable you to monitor compliance with this clause.

## 9.0 Disengagement

9.1 Should we resign or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear. Should we have no contact with you for a period of six months or more we may issue to your last known address a disengagement letter and hence cease to act. After which, you will have 3 months to collect any records of yours that we hold at that time. Thereafter, we reserve the right to securely destroy any such records without further notification.

## 10.0 Electronic and other communication

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

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

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

## 11.0 Fees and payment terms

11.1 Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility and the importance and value of the advice that we provide, as well as the level of risk.

11.2 If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.

Otherwise our fees will be calculated on the basis of the hours worked by each member of staff necessarily engaged on your affairs multiplied by their charge-out rate per hour, VAT being charged thereon. Indicative hourly charge out rates are as follows:

Director	£235
Associate Director	£180
Manager/Supervisor	£135
Associate	£115
Book-keeper	£50

Our fees may be increased from time to time and a copy of our current terms of business, with fee rates, is available on our website or on request. In any case, we reserve the right to increase these rates in line with inflation on an annual basis without further specific notification to you.

Payroll is charged on a sliding scale with a minimum fee of £30. Rates are available on request.

For Wisteria Registrars Ltd to act as Company Secretary we charge £100 per annum and to provide a registered office we charge £100 per annum. Statutory post forwarding is included within the annual fee. Any non-statutory post forwarded will be charged according to processing time and postal costs. Any letters of any kind that you ask us to send via post or courier may incur additional charges. We will not accept the delivery of parcels on your behalf.

11.3 Where requested we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.

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

11.5 We will bill periodically and our invoices will be due for payment within 14 days of issue. Our fees are exclusive of VAT which will be added where it is chargeable. Any disbursements we incur on your behalf and expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate.

11.6 Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees. Should these costs be incurred to fulfil our engagement then such necessary additional charges may be payable by you.

11.7 We reserve the right to charge interest on late paid invoices at the rate of 5% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

11.8 If you do not accept that an invoiced fee is fair and reasonable you must notify us in writing within 14 days of receipt, failing which you will be deemed to have accepted that payment is due.

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

11.10 In some cases we will ask clients to pay by monthly standing order and to periodically adjust the monthly payment by reference to actual billings.

11.11 Where you have agreed to pay in instalments over 12 months, then in the event that you; cancel the standing order prior to the end of the 12 months; fail to make one of the agreed payments on time; or give notice to us to stop acting for you, then you agree to pay us by return the higher of i) the actual costs incurred based on our standard charge out rates at that time or ii) the amount invoiced less the payments you have made.

In such cases where you settle fees by monthly instalments, we reserve the right to amend the monthly payment amount or raise additional fees where the actual time spent or work required is more significant than originally anticipated.

## 12.0 Implementation

12.1 We will only assist with implementation of our advice if specifically instructed and agreed in writing.

## 13.0 Intellectual property rights

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

## 14.0 Interpretation

14.1 If any provision of our engagement letter or terms of business is held to be void, then that provision will be deemed not to form part of this contract. In the event of any conflict between these terms of business and the engagement

letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

## 15.0 Internal disputes within a client

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

## 16.0 Investment advice (including insurance mediation services)

16.1 Investment business is regulated by the Financial Services and Markets Act 2000. If during the provision of professional services to you, you need advice on investments including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority or licensed by a Designated Professional Body, as we are not.

## 17.0 Lien

17.1 Insofar as we are permitted to 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.

## 18.0 Limitation of liability

18.1 Except for audit services, we have discussed with you the extent of our liability to you in respect of the professional services described within this engagement letter (the professional services). For audit services refer to schedule of professional services.

In reaching this agreement it is also agreed that:

- in the event of any claim for loss or damage arising from the professional services, you have agreed that the sum of £10,000 represents the maximum total liability to you in respect of the firm, its directors and staff. This maximum total liability applies to any and all claims made on any basis and therefore includes any claims in respect of breaches of contract, tort (including negligence) or otherwise in respect of the professional services and shall also include interest;
- we confirm that the limit in respect of our total aggregate liability will not apply to any acts, omissions or representations that are in any way criminal, dishonest or fraudulent on the part of the firm, its directors or employees; and
- 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 directors or employees; on a personal basis.
- You have agreed that we will not be liable 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.

## 19.0 Limitation of third party rights

19.1 The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. 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.

19.2 You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible 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.

## 20.0 Period of engagement and termination

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

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

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

## 21.0 Professional rules and statutory obligations

21.1 We will observe and act in accordance with the bye-laws, regulations and code of ethics of the Institute of Chartered Accountants in England and Wales and will accept instructions to act for you on this basis. In particular you give us the authority to correct errors made by HMRC where we become aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements in our offices. The requirements are also available on the internet at [www.icaew.com/en/members/regulations-standards-and-guidance](http://www.icaew.com/en/members/regulations-standards-and-guidance).

21.2 We confirm that we are Statutory Auditors eligible to conduct audits under the Companies Act 2006. When conducting audit work we are required to comply with the Ethical Standards for Auditors, and the International Auditing Standards (UK & Ireland) which can be accessed on the internet at <https://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors.aspx>. We are also required to comply with the Audit Regulations and Guidance which can be accessed on the internet at [www.icaew.com/auditnews](http://www.icaew.com/auditnews).

## 22.0 Quality control

22.1 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 our principals and staff.

## 23.0 Reliance on advice

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

## 24.0 Retention of papers

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

Individuals, trustees and partnerships:

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

Companies, Limited liability Partnerships, and other corporate entities:

- 6 years from the end of the accounting period

24.2 Whilst certain documents may legally belong to you, we may destroy correspondence and other papers that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must tell us if you wish us to keep any document for any longer period.

## 25.0 The provision of services regulations 2009

25.1 We are registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. Details of our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk) for the UK and [www.cro.ie/auditors](http://www.cro.ie/auditors) for Ireland, under reference number C001019168.

25.2 Our professional indemnity insurer is Royal & Sun Alliance Insurance Plc. 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.

## 26.0 Timing of our services

26.1 If you provide us with all information and explanations on a timely basis in accordance with our requirements, we will plan to undertake the work within a reasonable period of time in order to meet any regulatory deadlines. However, failure to complete our services prior to any such regulatory deadline would not, of itself, mean that we are liable for any penalty or additional costs arising.

## 27.0 Our staff

27.1 Our staff may be assigned to work on your affairs or at your premises, only on the mutual understanding that you will not offer employment or engagement to, nor employ or engage, the staff involved in the assignment and will not do so within twelve months of the assignment ending unless written consent is given by us. If consent is not obtained, a charge may be levied of 50% of the annual gross salary of the staff member concerned, plus VAT.