

## TERMS AND CONDITIONS OF BUSINESS/ENGAGEMENT PERSONAL TAXATION SERVICES

1. This document sets out the services we will be providing to you and the basis on which we will be acting. It forms the basis of the contract between Garbetts Limited and yourself, but where appropriate it is amended by any specific agreements.
2. Within this document "You" refers to any client of Garbetts, being an individual, partnership and/or its partners, a company and/or its directors or a charity and/or its trustees.
3. This contract is not designed to prejudice your statutory or common law rights, nor does it bind you to using our services for any set length of time. This agreement can be terminated in writing by either party by way of letter to the latest address held, with no notice required. In the event of termination we will raise an invoice for any work done which is yet to be invoiced – these charges will be based on our normal hourly rates.
4. Please read through the document and if you have any queries let us know. If not, please could you sign the "contents noted" line on the back of one of the copies and return this to us.

### 5. The practice

- a. "Garbetts" is the trading name of Garbetts Limited, registered in England number 2988424. The director of Garbetts Limited is Paul Garbett FCCA, company secretary Robert Garbett. The registered office is Arnold House, 2 New Road, Brading, Isle of Wight, PO36 0DT. Some professional services are provided by related companies, including Garbetts Group Limited, Garbetts Nominees Limited and Garbetts Consulting Limited.
- b. Garbetts holds a practising certificate from the Chartered Association of Certified Accountants (ACCA), and also is a Registered Auditor under the Companies Act 1989.
- c. Garbetts is registered with the ACCA to undertake a range of investment business activities, but we normally only offer investment advice as a integral part of other professional services. However we have links with a number of independent financial advisors, and can introduce clients to them. We will disclose to you any commissions received from third parties, and this under the terms of this agreement you consent to us retaining such commissions unless specifically agreed to the contrary.
- d. In order to keep our costs reasonable, some of our staff work with us on a sub contract or outsourced basis, either from our offices, their offices or from their home. We accept full responsibility for the work they carry out.

### 6. Fees - Routine Services

- a. Our accountancy quotations are designed to include within one annual fee all the routine services which you are likely to need during the course of a year.

Our intention is that you should only receive one annual invoice, and our quotation builds in an allowance for ad hoc queries and advice so that we do not have charge for this separately.

- b. Subject to any specific agreement between us the quotation includes:
  - Preparation and submission of your annual tax return.
  - Preparing supporting schedules such as rental income, investment income, expense claims, etc.
  - Dealing with tax assessments as they are raised, including appeals and subsequent correspondence.
  - Dealing with routine queries raised by the Inland Revenue on your accounts or tax returns.
  - Ad hoc queries, requests for advice, telephone calls or correspondence from you.
- c. Our quotations are fixed for two years, and are then subject to review in line with inflation. Obviously they will also be subject to review if there is a major change in the nature or size of your business or the services you require.
- d. Unless agreed otherwise our quotation does not include:

- Tax investigations (including Self Assessment enquiries, VAT inspections and PAYE/NI inspections).
  - Income confirmations for mortgage or borrowing purposes
  - Applications for Tax Credits or similar benefits administered through the tax system.
- e. Annual invoices are normally raised on completion of the annual accounts, or for tax only clients, completion of the tax return. Where work has been started but cannot be completed due to a delay outside of our control, eg you not making papers available to finalise accounts, then we reserve the right to invoice part or all of the quoted fee. Queries on invoices must be raised within fourteen days of the date of issue.
- Invoices are due for payment within fourteen days of the invoice date, by cash, cheque or credit card and we reserve the right to charge interest on overdue accounts at the rate of 2% per month.
- We prefer payments by standing order. Our fees are computed on an annual basis, however where payments are made by standing order each payment is deemed to be a stand alone contract for services during the month of payment, for which a VAT receipt is available on request. A 5% surcharge may be levied on invoices not settled by standing order.
- If standing orders are unpaid or missed, and your account is in debit (money owed to us) we may make an administration charge of up to £10 per missed payment.
- f. In the event of credit terms being breached we may levy credit charges and interest in accordance with Late Payment of Commercial Debts (Interest) Act 1988 as amended by EC Directive 2000/35/EC.
- g. Very occasionally if presented with very poor quality records a previously quoted fixed fee may have to be withdrawn; if this is the case then you will be advised as soon as possible, and will be given the option of continuing to engage us on an hourly rate, or to terminate the engagement.
- h. Where the contract between you and ourselves is cancelled by either party:
- a pro rata fee may apply from ourselves for the current financial year. This will not exceed the annual quoted fee on a pro rata basis.
  - fees may be due for the previous financial year in respect of work in hand. These will not exceed the annual quoted fee.

## 7. Non Routine Services

- a. From time to time many business need some extra assistance, and non routine work of this nature is subject to a separate charge. Typical examples of non routine issues are:
- Buying or selling a business.
  - Raising business or personal finance.
  - Preparation of business plans or forecasts.
  - In depth tax investigations.
- We would stress that occasional telephone calls, requests for advice, etc, do not incur a separate charge -separate charges only arise where a significant amount of extra work is called for.
- Where at all possible we will tell you if the work we are doing for you is outside of the quoted annual fee for routine services and therefore incurring extra charges, and where at all possible we will give you a quotation for the non routine work.
- b. Our hourly rates for non routine work are currently (excluding VAT):
- |   |         |   |
|---|---------|---|
| • | £120    | Senior staff/Qualified accountant (£350/£700 half day/full day) |
| • | £40-£90 | Technician grade staff  |
| • | £20     | Basic bookkeeping work  |
- c. Invoices for non routine work are raised either on completion of the work or on a periodic basis and are due for payment within fourteen days by cash, cheque or credit card. We reserve the right to charge interest on overdue accounts at the rate of 2% per month. Queries on invoices must be raised within fourteen days of the date of issue. In the event of credit terms being breached

we may levy credit charges and interest in accordance with Late Payment of Commercial Debts (Interest) Act 1988 as amended by EC Directive 2000/35/EC.

## 8. Responsibilities

- a. Your Tax, VAT and NIC affairs are your responsibility; we act only as your agent. It is your responsibility to:
- i. maintain accurate records for accountancy, audit or taxation purposes;
  - ii. consider the accuracy of accounts, tax returns or other documents which the practice prepares for you, before you sign them.
  - iii. ensure that elections, forms, returns or accounts which are subject to a statutory time limit are made on time;
  - iv. make sure we get copies or originals of all forms, assessments or other documents sent to you by the Inland Revenue or H M Customs and Excise on which you wish us to advise or take action.
- b. We will offer you as much assistance as possible in meeting the above. This will include:
- i. giving you guidance on the records you need to keep and advising you of any significant errors or omissions which we discover;
  - ii. ensuring that accounts, tax returns and other documents are an accurate reflection of the records and other information, written or verbal, which you have given us, and drawing to your attention any known uncertainties or errors;
  - iii. ensuring that you are aware of relevant time limits and critical dates;
  - iv. ensuring that we process work you give us within the time scale necessary to meet relevant time limits provided that we have been given the necessary books and records within good time.
- c. We will check and advise you of the correctness or otherwise of any assessments, computations, statements of tax liabilities, PAYE codings or demands for payment sent to you by the Inland Revenue provided, of course, that we have a copy of the relevant documentation.
- d. Under normal circumstances we automatically get sent copies of tax assessments raised by the Inland Revenue, however we do not get automatic copies of other Inland Revenue demands for payment, reminders or PAYE codings, or National Insurance correspondence.
- e. If requested, we will provide you with a copy of your completed tax return and supporting schedules.
- f. Once we have prepared tax return, if at all possible we will advise you of your approximate tax liabilities.
- g. We will review your tax position at appropriate intervals, and will offer you as much assistance as possible in keeping your current and future tax liabilities as low as legally possible.
- h. We have your consent to make use of Inland Revenue Electronic Filing opportunities where available.

## 9. Deadlines

- a. In order to meet filing deadlines, we require information from you no later than:
- 31 August after year end for accounting papers  
31 May after tax year end (5 April) for personal tax papers
- b. Where information is received late we will endeavour to complete returns on time but cannot guarantee this. We may charge a supplementary fee of up to 25% of the agreed annual fee for prioritising work to achieve statutory deadlines, where you provide us with information late.

## 10. Contact details

- a. You are responsible for providing us with up to date postal, e-mail and telephone details.
- b. Any e-mail address used by you to correspond with us is deemed valid and confidential for reply purposes unless we are advised to the contrary.

11. Tax Credits

- a. Our fixed price services do not cover the preparation of tax credit claims or claims for similar benefits which are integrated with the tax system.
- b. We are happy to assist with such claims where specifically requested, with a charge being made at either our normal hourly rates or on a fixed tariff if available.

12. Limitation of liability

- a. Unless specifically agreed to the contrary Garbetts Limited will only be liable to you for advice in respect of:
  - i. Matters which have been specifically drawn to our attention; or
  - ii. Matters where we have specifically been asked to comment; or
  - iii. Matters where we have specifically advised you.
- b. Garbetts Limited will not be liable for failure to provide advice in respect of a matter which has not been drawn to our attention by yourself.
- c. Unless an extension has been agreed Garbetts Limited has a maximum liability to you equal to three times the annual fees charged under this agreement.

13. Insurance

- a. We offer various insurance schemes for protection against tax enquiries and inspections. These insurance schemes are expressly offered on the basis of the policy conditions notified with the insurance, and are provided by the insurers concerned with Garbetts acting as introducer.
- b. In the event of any dispute concerning cover or claims, the insurers ruling is final.
- c. You will be liable for any excess under the insurance policy.
- d. Such insurance policies are not compulsory, but where not taken up, or where policy conditions are breached, you will be liable for any professional fees arising from matters which would otherwise have been covered by the insurance.

14. Ownership of papers

- a. Copies of correspondence or tax returns prepared on your behalf belong to you. We will normally retain these copies on our files, but copies can be provided to you on request and at no charge (subject to c below)
- b. Working papers for accounts and returns, file notes and copies of our correspondence to you are our property and will not normally be released.
- c. We archive files periodically, and a charge will be made for recovering papers from archive. By concession this charge may be waived for active clients. Where the client relationship is terminated files will normally be archived three months later, and a charge made for access after that date.

15. Confidentiality

- a. We have an obligation to keep your affairs confidential. Likewise correspondence between ourselves and yourselves should be kept confidential by yourself and not disclosed to third parties without our consent..
- b. We have an implied authority to discuss your affairs with any banker, lawyer or IFA acting for you and with any officer of your company and your spouse.

- c. We have an implied authority to respond to any enquiry from a government department, law enforcement body, statutory agency or other legitimate third party where we have an obligation to do so at law, or where failure to do so may lead to a complaint against us.

16. Complaints

- a. Any complaint about our services must, in the first instance, be put in writing to Mr Paul Garbett, Principal / MD of the practice., and clearly marked as a complaint.
- b. We will then investigate this complaint and report to you promptly.

17. Updates to this document

- a. This document may be updated and changed by Garbetts Limited:
  - i. By 30 days notice being given on the terms of business section of our www site ([www.garbetts.com/tcb](http://www.garbetts.com/tcb)).
  - ii By immediate notice on our www site where circumstances dictate

We will endeavour to advise all clients of major changes to our terms of business.

- b. You can request a copy of the latest terms of business from our offices at any time.

Contents noted:

Name: \_\_\_\_\_

Signature: \_\_\_\_\_