

TERMS AND CONDITIONS OF BUSINESS/ENGAGEMENT SERVICE PACKAGE FOR PERSONAL SERVICE COMPANIES

Garbetts offers a fixed price package of services for Personal Service Companies (PSCs). This document outlines the features of this service package.

It should be read in context with our main Terms and Conditions of Business / Engagement document which it supplements.

Where appropriate this document supersedes provisions in the main Terms and Conditions of Business.

1. Package fees

a. We have the following tariff levels:

- Comprehensive PSC service – basic fee £800 pa + vat, payable by monthly standing order
- Entry Level PSC service – basic fee £500 pa + vat. payable by monthly standing order or £525 + vat where paid annually by cheque or credit card.
- A separate charge of £100 + vat is made for company formations (plus £10 for a name change if required); this is discounted from normal charge of £200+vat (plus £10 for a name change if required) and is for clients who are purchasing either our comprehensive or entry level services – if our regular services are not taken up then the full £200+vat charge applies.

b. Our comprehensive package covers within the fixed fee:

- Annual pre year end tax review where requested
- Preparation of annual accounts
- Preparation of the company's corporation tax computations and CT600 return
- Calculation and administration of PAYE/NI scheme quarterly or annually
- Assistance with the calculation and administration of quarterly VAT returns, where our spreadsheet template is used. Submission of the returns your responsibility.
- Preparation of directors personal Self Assessment returns
- Preparation of spouses Self Assessment tax return where he/she has no other significant income and draws a salary or dividend from your company and a return is necessary, or you request that we prepare one.
- Dealing with all routine tax queries other than HMRC full enquires and IR35 status challenges
- Assistance with the filing of your annual return to Companies House if required (but you need to pay the filing fee)
- Companies House administration.
- Registered office service
- Liaison with your pension/investment advisors
- Ad-hoc advice as necessary

The following services are charged separately, as used/requested :

- Calculation and administration of PAYE/NI scheme monthly (£120 pa + vat)(for most PSCs annual payroll, included in the fixed price package is adequate).
- Invoicing your agent/client (£120 pa + vat monthly £240pa + vat weekly)
- Tax Enquiries and fighting IR35 status challenges (available at £150 per hour but we strongly recommend that you take out insurance for this separately.
- IR35 contract reviews (£100 + vat)
- References for loans, mortgages and tenancies (£25 to £50 dependant on complexity)

c. Our entry level service covers within the fixed fee:

- Annual pre year end tax review where requested
- Preparation of annual accounts
- Preparation of the company's corporation tax computations and CT600 return
- Assistance with the filing of your annual return to Companies House
- Companies House administration.
- Dealing with all routine tax queries other than HMRC full enquires and IR35 status challenges
- Liaison with your pension/investment advisors
- Ad-hoc advice as necessary

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Arnold House 2 New Road Brading Isle of Wight PO36 0DT Telephone 01983 400350 Facsimile 01983 404016 E-Mail: office@garbetts.com www.garbetts.com

The following services are charged separately, as used/requested :

- Calculation and administration of PAYE/NI scheme (monthly £240 pa + vat or annually / quarterly £100 pa + vat)
 - Invoicing your agent/client (£120 pa + vat monthly £240pa + vat weekly)
 - Tax Enquiries and fighting IR35 status challenges (available at £150 per hour but we strongly recommend that you take out insurance for this separately.
 - Assistance with the calculation and administration of quarterly VAT returns (£50 per quarter + vat)
 - Preparation of directors personal income tax returns (£75 + vat, £125 + vat to include spouse)
 - IR35 contract reviews (£100 + vat)
 - References for loans, mortgages and tenancies (£25 to £50 dependant on complexity)
 - Registered office service (£25 pa + vat)
- d. No refund is given or price adjustment made for unused services or service discounts not taken in month of payment, or for services not completed at termination of contract.
- e. The reference period for fees is the company accounting year and returns falling due in respect of that years activities, as opposed fiscal or calendar years. Charges are however levied on the basis of a monthly retainer and relate to the month for which they are due or paid.
- f. The quoted fees refer to 12 month years. Short or long periods, and other part years, are charged as follows:
- i. Starting as a new company part way through a year – the standard fee will normally be apportioned by reference to whole or part months when you take up our services.
 - ii. Joining us with an existing company part way through a year (from another accountant or with no accountant) – the standard fee will be apportioned and charged at 100% for each whole or part month after you join us and at 50% for each whole month of your financial year elapsed before you join us.
 - iii. Transferring from us to another accountancy practice, or services terminated by either side – the standard fee will normally be apportioned by reference to whole or part months for which you are using our services subject to a minimum of 6 months payments in the accounting year.
 - iv. Ceasing to be a contractor and closing your company down - the standard fee will normally be apportioned by reference to whole or part months for which you are using our services subject to a minimum of 6 months payments in the accounting year.
 - v. Accounting periods of more or less than 12 months – straight monthly apportionment
- g. If you place your company on hold for more than three months – our fees are reduced to 50% of the standard level after three months.
- You must claim this reduction by contacting us and amending your standing at the time you place your company on hold – we cannot allow a retrospective adjustment.
- h. If your company becomes dormant (using Companies Act definition of no significant accounting transactions) – our fees drop to £10 per month + vat as a holding fee to cover basic company accounts and tax compliance. Personal taxation services, IR35 assistance and similar are not included.
- i. Where a contractor is running two companies, a discount of 1/3 will be offered for the second company.
- j. Discounts may be offered to clients whose affairs are simpler than most contractors – these discounts are by negotiation. Where a discount is applied, all apportionments are on the discounted price.
- k. On both the comprehensive and entry level tariffs we have the right to make an additional charge of up to £100 per annum + vat over and above the fixed fee, payable as a separate payment against invoice, where your accounting records are below an acceptable standard or where there are other complicating matters, eg using your company for share trading or property dealing.

We may also make a surcharge if you do not use our prescribed spreadsheet for day to day transaction recording.

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Garbetts Limited Chartered Certified Accountants and Registered Auditor Registered in England Number 2988424 Director: Paul R Garbett FCCA
 Part of Garbetts Group Limited Registered in England Number 2886513 Directors: Paul R Garbett FCCA, Robert Garbett, Sandra Garbett BA (Hons) Law

- i. We will make a surcharge of £10 per month + vat for two contractors working through one company.
- m. Spouse tax returns are prepared as part of the standard package where the spouse has no other significant income and receives a salary or dividend from your company. Other significant income would be full time employment, a business, rental income or share trading.

2. IR35 contract reviews

- a. Upon request we will review contracts and offer (i) an opinion as to their IR35 status and (ii) advise on ways that the IR35 status may be strengthened. We will not enter into contract negotiations with an agent or client on your behalf.
- b. Our opinions on IR35 status are offered as advice, and the responsibility for making a decision on the status of each contract rests with you.
- c. Contract reviews are specialist services. In the event of staff holidays or sickness there may be a delay of up to four weeks in processing them; normally we will process them within a week.
- d. Our contract reviews are not intended to act as a pre contract approval service.