

## General Terms and Conditions

### Introduction

These terms and conditions set out the general terms under which we undertake our business. The specific conditions relating to particular assignments will be covered in the schedule of services and the engagement letter.

### Applicable law

This engagement letter, the schedule of services and our standard terms and conditions of business are governed by, and construed in accordance with, English law. The Courts of England 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 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.

### Authorisation and registration

Axada Limited are registered with the Association of Chartered Certified Accountants as firm of chartered certified accountants.

### Automatic Exchange of Information (AEOI), including FATCA (Foreign Account Tax Compliance Act)

Unless covered by a separate engagement letter or another schedule to this letter, we will not be responsible for compliance with the International Tax Compliance Regulations 2015, produced as a result of AEOI.

### Changes in the law or public policy and practice

We will not accept responsibility if you act on advice previously given by us without first confirming with us that the advice is still valid in light of any change in the law or your circumstances.

We 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.

### Client monies

Client money held on your behalf 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' Monies Rules of the Association of Chartered Certified Accountants. These rules can be found on the ACCA website. Fees paid by you in advance for professional work to be performed and clearly identifiable as such shall not be regarded as clients' monies. Due to administrative constrictions, we do not pay interest on funds held on our behalf.

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 practice, then we may pay those monies to a registered charity.

### Commissions or other benefits

If commissions or other benefits may become payable to us in respect of transactions which we arrange for you, we will notify you in writing of the amount and terms of payment. The same will apply where the payment is made to or transactions are arranged by a person or business connected with ours. We will not



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reduce the fees we would otherwise charge by the amount of the commissions or benefits. You agree that we can retain any commission or other benefits without being liable to you for any such amounts.

### **Communication**

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.

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 dispatch. 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.

Any communication by us which is sent through the postal system is deemed to arrive at your postal address one working day after the day that the document was sent if posted to a UK address, or 3 working days if posted non-UK addresses.

### **Confidentiality**

We shall take all reasonable steps to keep your information confidential except where we are required to disclose it by law, by regulatory bodies, by our insurers or as part of an external peer review. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

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.

We reserve the right, for the purpose of promotional activity, training or for other business purpose, to mention that you are a client and disclose your company name as a client of our firm. As stated above we will not disclose any confidential information relating to your financial affairs

You agree not to disclose or use for any purpose except as intended under this engagement without written consent, any document, report, advice, statement, opinion or other information prepared by us, or any document which includes our name to any third party and such documents will be held in the strictest confidence by you, your officers, employees and others engaged by your organisation and we will not be held liable for any third party gaining access to and relying on information contained therein. You agree to indemnify us for any legal or other costs arising out of such disclosure. Where disclosure is required for legal or regulatory reasons or to professional advisers connected to either party to this contract the above does not apply.

### **Conflicts of interest**

We will inform you if we become aware of any conflict of interest which could impact on our relationship with you. Where conflicts are identified which cannot be managed in a way that protects your interests then we regret that we may be unable to provide further services.

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. Safeguards may include measures such as separate teams, physical separation of teams, and separate arrangements for storage of and



access to information. Where possible this will be done on the basis of your informed consent. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject of course to the obligations of confidentiality referred to above.

### **Consumer credit**

If, during the provision of professional services to you, you need advice or services on areas from us that fall within Consumer Credit activity for which we are not authorised, we may have to refer you to someone who is authorised by the Financial Conduct Authority (FCA) as we are not authorised to undertake this activity.

### **Fees**

Our fees agreed are detailed in the services summary and fees for additional services may depend upon the time spent on your affairs and 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.

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. Where requested we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. If the work involved is different to the expected level, or increases over time we reserve the right to renegotiate the fee with you. 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.

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 assurance 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.

Our current hourly rates can be obtained on request.

We will bill on completion and not less than monthly for work in progress and our invoices are due for payment on presentation. Our fees are issued in GBP and quoted 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.

Where dates have been agreed for the delivery to us of certain information, fees have been calculated taking this into account. If the delivery dates cannot be adhered to we reserve the right to charge an additional amount.

Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees. Disbursements incurred during the performance of services under the engagement will be charged for separately. Such disbursements may include but are not limited to travel costs from our office, courier fees, filing fees, overnight accommodation. First class rail travel is and business class air travel is charged as standard. Where you have agreed for us to engage services from other suppliers you agree to indemnify us for any costs incurred. Prior agreement before incurring any such disbursements will be sought.

It is our normal practice to issue "Applications for Payment" when dealing with continuous or recurring work. The payment terms for "Applications for Payment" are the same as for invoiced fees. A VAT invoice will be issued to you upon receipt of your payment.



You authorise us to settle our agreed fees from any money held on your behalf in the client account.

We reserve the right to charge interest on late paid invoices at the rate of 10% 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.

If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.

In the case of a dispute over the level of fees charged we reserve the right to require that the matter is dealt with through arbitration. We recommend that arbitration is undertaken by the fee arbitration service provided by ACCA for members. The fee arbitrator will be appointed by the ACCA president; the fee will be as negotiated with the ACCA arbitrator.

### **Implementation**

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

### **Intellectual property rights**

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.

### **Interpretation**

If any provision of this engagement letter, schedules of services or standard terms and conditions is held to be void, then that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted.

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.

### **Internal disputes**

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 authorised address or an alternative address agreed by both of us and for the attention of the nominated party. If conflicting advice, information or instructions are received from different other individuals in the business we will refer the matter back to the nominated party and take no further action until he and the board of directors has agreed the action to be taken.

### **Investment services**

Investment business is regulated under the Financial Services and Markets Act 2000 and the Financial Services Act 2012.

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 the Prudential Regulation Authority or licensed by a Designated Professional Body as we are not authorised to give such advice.

### **Lien**



In so far as permitted to do 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.

### **Limitation of liability**

We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or wilful default. Additionally, our liability to you and regardless of the cause of action is subject to all limitations contained in the paragraph "Limitations of liability".

We will not be liable if such losses, penalties, surcharges, interest or additional tax liabilities are due to the acts or omissions of any other person or due to the provision to us of incomplete, misleading or false information or if they are due to a failure to act on our advice or a failure to provide us with relevant information.

We will not be liable to you 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.

We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or wrongly misrepresented to us or from fraudulent acts, misrepresentation or wilful default on the part of any party to the transaction and their directors, officers, employees, agents or advisers.

This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures which we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry.

You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure 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.

This engagement has an aggregate limit of liability of one times the annual fee for the service in respect of which the liability arose, and this sum shall be the maximum aggregate liability of this company, its directors, agents and employees, to all persons to whom the engagement letter is addressed and to any other person that we have agreed with you may rely on our work.

You agree that you will not bring any claim of a kind that is included within the subject of the limit against any of our principals/ directors/members or employees on a personal basis.

### **Limitation of Third Party Rights**

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. It may not be used or relied upon for any other purpose or by any other person other than you without our prior written consent. A party to this agreement is the only person who has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms. If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them, should they rely on the advice. If it is proposed that any documents or statement which refer to our name are to be circulated to third parties, please consult us before they are issued.



## **Notification**

We shall not be treated as having notice, for the purposes of our accounting and tax responsibilities, of information provided to any members of our firm other than those individuals that have been authorised to be engaged on the specific assignment. This includes information provided in connection with accounting, taxation and other services.

## **Provision of Services Regulations 2009**

In accordance with our professional body rules we are required to hold professional indemnity insurance. Details about the insurer and coverage can be requested if required.

## **Quality of Service**

We will observe and act in accordance with the by-laws, regulations and ethical guidelines of the Association of Chartered Certified Accountants (ACCA) and will accept instructions to act for you on this basis. The requirements are also available online at [www.accaglobal.com/en.html](http://www.accaglobal.com/en.html) We aim to provide a very high standard in Professional services however if you have any concerns about the quality of service you are receiving and you would like to discuss this further please contact Britta Kayne [bkayne@axada.co.uk](mailto:bkayne@axada.co.uk) We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may take up the matter with the Association of Chartered Certified Accountants. This should be done promptly and in any event no later than 6 months after exhausting our procedures. 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 principal and staff.

## **Reliance on advice**

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.

## **Retention of papers**

You have a legal responsibility to retain documents and records relevant to your tax affairs. During the course of our work we may collect information from you and others relevant to your affairs. Whilst certain documents may legally belong to you we may destroy correspondence and other papers that we store, electronically or otherwise, which are more than 7 years old. You must tell us in writing, if you require the return or retention of any specific documents for a longer period and this may incur additional charges.

## **Termination**

Unless otherwise agreed in the engagement covering letter our work will begin when we receive your implicit or explicit acceptance of that letter and any payment on account that has been agreed. Except as stated in that letter we will not be responsible for periods before that date. Each of us may terminate this agreement by giving not less than three months 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. In the event of termination of this 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.

**Additional legislation by which we are bound:**

**Data Protection Act 1998**

We confirm that we will comply with the provisions of the Data Protection Act 1998 when processing personal data about you and your family. In order to carry out the services of this engagement and for related purposes such as updating and enhancing our client records, analysis for management purposes and statutory returns, legal and regulatory compliance and crime prevention we may obtain, process, use and disclose personal data about you. You shall ensure that any disclosure of personal data to us complies with the DPA.

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 the sub-contractor has agreed that the 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.

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

**Bribery Act 2010**

In accordance with the requirements of the Bribery Act 2010 we have policies and procedures in place to prevent the business and its partners and staff from offering or receiving bribes.

**Money Laundering Regulations 2007**

In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided or information disclosed to the National Crime Agency (NCA).

You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

As with other professional services firms, we are required to have appropriate risk based policies and procedures for assessing and managing money laundering risks: this applies at the start of any business relationship and through the lifetime of the relationship. This includes undertaking appropriate customer due diligence. 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.

Copies of such records created as part of the client due diligence process, including any non-engagement documents relating to the client relationship and ongoing monitoring of it, will be retained by us for a period of five years after we cease to act for the business unless we are required to retain them under statutory obligation, or to retain them for legal proceedings, or you consented to the retention in which case the records will be retained for not more than 10 years.