

KITCHEN AND BROWN ACCOUNTANTS LTD

Terms and Conditions of Service

PLEASE READ THESE TERMS CAREFULLY TO UNDERSTAND THE BASIS ON WHICH WE PROVIDE THE SERVICES TO YOU. This is a framework Agreement, covering all of the Services we offer. The Letter of Engagement will identify and scope the particular Services applicable to you. Any reference in this Agreement to other Services not included in your Letter of Engagement or subsequently agreed in writing can therefore be ignored.

1. This Agreement

- 1.1 We are **KITCHEN AND BROWN ACCOUNTANTS LTD (us/our/we)**, a limited company incorporated in England and Wales with registration number 14103363 and our registered office at Kitchen & Brown, 40 Coinagehall Street, Helston, Cornwall, United Kingdom, TR13 8EQ.
- 1.2 The terms set out in this Agreement are the basis on which we will provide the Services to you and will apply to the entire relationship between us and you.
- 1.3 By signing these terms, You accept them. We will refer to you as the **Company (you/your/Company) in the Letter of Engagement that forms part of this Agreement** as a legally binding contract with us. You also represent and warrant that you have all necessary capacity and authority to enter into this Agreement on behalf of such entity. **If you do not have such capacity or authority or do not wish to accept this Agreement, you must not proceed to sign this Agreement.**
- 1.4 We may update any part of this Agreement or other documents referred to in it from time to time, by notifying you by reasonable means (including e-mail). If you do not agree to any such update, you should let us know and if we cannot agree an amendment, we are both satisfied with, you may terminate this Agreement with notice in writing and stop using the Services.

2. Definitions

The terms used in this Agreement, the Schedules, annexures, and Letter of Engagement will have the meanings as set out below:

- 2.1 **"Ad-Hoc Services"** means, when you engage us to provide a limited range of Services (only) or to complete a particular project and not on an ongoing basis beyond that.
- 2.2 **"Agreement/Terms and Conditions"** means this document together with all schedules and annexures, including the Letter of Engagement (which is incorporated hereto by reference), unless explicitly stated otherwise.
- 2.3 **"Amended Services"** means the Services with any amendments or additional Services as we agree to from time to time which will amend the initial Services in terms of the Engagement Letter on written confirmation of it by us.
- 2.4 **"Anti-Money Laundering Legislation/AML"** means collectively the Proceeds of Crime Act 2002, the Terrorism Act 2000, and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any other legislation with the same objective from time to time.

- 2.5 **"Applicable Law/s"** means all laws, regulations, directives, statutes, subordinate legislation, and common law that apply to the Parties and their obligations under this Agreement in any territory.
- 2.6 **"Business Day"** means any day (other than Saturday or Sunday) on which ordinary banks are open for their full range of normal business in London.
- 2.7 **"Services"** means any service provided by us to you in terms of this Agreement.
- 2.8 **"CIMA"** means the Chartered Institute of Management Accountants.
- 2.9 **"Commencement Date"** means the date the Agreement and Services will start as set out in the Letter of Engagement.
- 2.10 **"Confidential Information"** all information (whether in oral, written, or electronic form) relating to our business, technology, know-how or Intellectual Property Rights which may reasonably be considered to be confidential in nature; any manuals and user guides relating to our Services; all information relating to our pricing terms; and all passwords and access details for our Services; any flaws in our Services.
- 2.11 **"Data Protection Laws"** means, all data protection and privacy legislation as applicable and binding on either Party, the UK GDPR, the Data Protection Act 2018 (and its regulations), the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) and any laws which implement, replace, extend, re-enact, consolidate, or amend any of the above, including the codes of practice issued by the Information Commissioner (ICO) from time to time.
- 2.12 **"Fees"** means any and all amounts due by you to us for carrying out the Services in terms of this Agreement and the Letter of Engagement, as set out in the Letter of Engagement and will be payable in Pound Sterling.
- 2.13 **"Force Majeure"** means any event or sequence of events beyond a Party's reasonable control preventing or delaying it from performing its obligations under this Agreement (provided that an inability to pay is not Force Majeure) and which it could not have reasonably foreseen.
- 2.14 **"Initial Term"** means the period you sign up for with us, to provide you with the Services, from the Commencement Date to the end of a minimum commitment period, as set out in the Letter of Engagement.
- 2.15 **"Intellectual Property Rights"** means any and all copyright, rights in inventions, patents, know-how, trade secrets, trademarks and trade names, service marks, design rights, rights in get-up, database rights, domain names and all similar rights and, in each case: whether registered or not; including any applications to protect or register such rights; including all renewals and extensions of such rights or applications; whether vested, contingent, or future; and wherever existing.
- 2.16 **"Invoice"** means a document created by us that details the Fees applicable to the Services and serves as a formal request for payment.
- 2.17 **"Letter of Engagement"** means the formal letter that outlines your engagement of us, details of the Statement of Facts/scope, period, and specific services you wish to engage us on, which forms part of and is incorporate to this Agreement by reference.

- 2.18 **"NCA"** means the National Crime Agency.
- 2.19 **"Party"** or the **"Parties"** refer to the parties to this Agreement.
- 2.20 **"Package"** means the predefined bundle of Services you chose as confirmed in the Letter of Engagement.
- 2.21 **"Personal Data"** has the meaning given to it Under the UK General Data Protection Regulation (UK GDPR and essentially means any information that can be used to identify an individual ("Data Subject") either directly or indirectly. This can include things like names, addresses, phone numbers, email addresses, IP addresses, location data, biometric data, and more. It also includes factors specific to the person's identity.
- 2.22 **"Personnel"** means any employee, consultant, representative, director, shareholder or other person or entity acting on a Party's behalf.
- 2.23 **"Services"** means the accounting and related services described in the Letter of Engagement, to be provided to you in line with the Letter of Engagement, which could be a Package or Ad-Hoc Services.
- 2.24 **"Software"** means the software owned by us used in the provision of the Service.
- 2.25 **"Specialist"** means a professional who possesses specific expertise, knowledge and training in the intricacies of a particular subject matter such as taxation.
- 2.26 **"Statement of Facts"** means the initial facts and scope of Services we will perform for you, on which basis the Letter of Engagement is entered.
- 2.27 **"Term"** means the period this Agreement is in effect for, from the Commencement Date until terminated in terms hereof.
- 2.28 **"UK GDPR"** means the retained version of Regulation (EU) 2016/679 (the "GDPR") as it is applied in the United Kingdom with effect from 1 January 2021, as amended from time to time and any successor legislation.
- 2.29 **"VAT"** means Value Added Tax as governed by the Value Added Tax Act 1994.
- 2.30 **"Work"** means any product created in the course of providing the Services (in any form, whether a draft, final, stand-alone document or prepared in conjunction with other documents or persons), including but not limited to existing material, reports, e-mails, notes and working papers.
- 2.31 Any reference to the Letter of Engagement means the Letter of Engagement together with this Agreement as if these terms was set out in the Letter of Engagement.

3. Term

- 3.1 This Agreement will come into force on Commencement Date and be in force for the Initial Term, whereafter it will automatically renew for further periods equal to the initial Term (each a "Renewal Term"), unless terminated by you in writing with no less than 3 (three) months' notice before the end of the Term (i.e., month 9 of 12-month Initial Term), or any Renewal Term, or terminated earlier in terms of this Agreement.
- 3.2 Take note that, except for once-off Ad-Hoc Services, all our Fees for Package Services or Ad-Hoc projects are calculated based on the assumption that such period or project will be completed or for

a minimum commitment period (for example 12 (twelve) months) and are evenly spread across this period. This calculation accounts for costs associated with (but not limited to) client onboarding, software licenses, resources, insurance, and other preliminary and ongoing activities required to initiate and maintain the Services throughout the period/project.

4. Appointment & Our Responsibilities

- 4.1 We are a member of a global group of companies (“DNS Firms”), each with a separate legal entity.
- 4.2 We may subcontract portions of the Services to other DNS Firms who may deal with you directly. Despite this, we alone will be responsible to you for the Work, the performance of the Services and other obligations under this Agreement.
- 4.3 We are committed to upholding professional standards in our interactions with clients, employees, staff, regulators, and others and will carry out the Services with the necessary care and skill. Our Services and work are performed in line with the CIMA Code of Ethics, reflecting good industry practice and maintaining the respectability of the profession. You can review this code at www.cimaglobal.com.
- 4.4 This Agreement with you is exclusively for the Services set out in the Engagement Letter and this Agreement and not intended to imply that we will handle any Services outside of that for you unless agreed so in writing.
- 4.5 Our Work is for your exclusive use and may not be used by anyone else or in any other way than intended. Unless we provide our consent:
- (a) our Work must not be relied on by anyone other than you;
 - (b) you must not name us or refer to us, our Work or Services in any written materials, other than to your professional advisers, in any publicly filed documents or as required by law;
 - (c) We will have no liability to any parties except you and any third parties to whom our advice is expressly addressed;
 - (d) 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. Except as expressly mentioned in these terms, it is not intended by the Parties to this Agreement that any term which may be interpreted as conferring a benefit on any person who is not a Party to this Agreement should be enforceable by such party, whether under the provisions of the Contracts (Rights of Third Parties) Act 1999 or otherwise.
- 4.6 If you provide a copy of any Work to any of your professional advisors or any other person with our consent, you must ensure that they are aware of and comply with the limits placed on the use and disclosure of our Work (including that they may not rely on the Work) and treat our Work as confidential.
- 4.7 Our advice may be time-sensitive, meaning that laws and practices may change over time and that advice that was relevant at a particular time may no longer be so in future. The advice that we will

provide will be prepared on the basis of the then current tax legislation and HMRC practice, concessions, and interpretations. If these change, then the changes may be applied retrospectively, which is not within our control or liability.

- 4.8 Further, advice will be on the current position and will not consider historical planning, restructuring or advice not undertaken by us. We will not be responsible to refresh or update advice due to changes unless requested to do so and agreeing to undertake this in writing or in terms of an amendment to the Engagement Letter and the Services scoped.
- 4.9 Our advice and Services are limited to that of accountants (including advice on transactions and restructuring). You should seek the appropriate legal advice from a solicitor when and where appropriate.
- 4.10 You acknowledge that use of, or reliance on our Work by a person other than you may expose us to a claim from a person whose interests we have not considered in providing the Services. You will indemnify us against any loss we suffer or incur as a result of any distribution to, use of and/or reliance on any Work by a third-party or Specialist to the fullest extent permissible in law.
- 4.11 Our official advice related to our Work is provided through documents with our letterhead or DNS Firm branded reports. Please rely on these written forms for any definitive guidance. Other forms of communication, like oral remarks, are not intended as formal advice.
- 4.12 We strive to offer a high-quality service that meets your needs. If anything, however, arises that you are not satisfied with, please reach out to our Group Operations Director Gary Zouvani on gary@dnsaccountants.co.uk as soon as possible and mark your communication clearly as a complaint.
- 4.13 We're committed to addressing any concerns you might have. If you bring a complaint to our attention, we will investigate it thoroughly and take fair steps towards resolution. If you're still not content with the outcome, you have the option to approach our governing body, CIMA at www.cimaglobal.com.
- 4.14 We are not authorised by the Financial Conduct Authority to conduct Investment Business.
- 4.15 Where requested or required, we may introduce you to third-party suppliers and Specialists, for instance in relation to tax, mortgages, financing, software products or insurance and various other products. It is important to note that:
- (a) We may get an introduction commission on the making of such referrals. We will at all times comply with the relevant provisions of the Bribery Act 2010 and have your best interest in mind in line with our professional duties, when doing so;
 - (b) We cannot be held liable for any losses you may incur using the Services of such third-party suppliers and Specialists and you may be subject to their terms and conditions over which we have no control or insight. It remains your responsibility to properly vet any such third-party suppliers and Specialist by doing due diligence on them before engaging them and you are at no time obliged to use them above any other supplier or Specialist you prefer;

- (c) We will not be liable for any losses, penalties, surcharges, interests, or additional tax liabilities that are caused by the acts or omissions of any Specialist introduced by us.

5. Tax Planning and Advice

- 5.1 We will not provide tax compliance Services unless covered by a separate engagement letter or stated in your Letter of Engagement and specifically agreed to in writing.
- 5.2 Concerning the Automatic Exchange of Information (AEOI), including FATCA, unless covered separately, we are not responsible for compliance with the International Tax Compliance Regulations 2015. However, if needed, we can offer advice on these Regulations' requirements and help set up systems for AEOI compliance.
- 5.3 We may provide generic tax advice and support in relation to your tax affairs from time to time, however for comprehensive and advanced tax planning, you may be introduced to Specialist advisors.
- 5.4 Tax planning has inherent risks involved, such as changes in tax laws or treatments, and we can only advise on the position as at the time of the advice. You will need to assess the risks of following such structures proposed with a long-term view in mind and understand that it may change over time.
- 5.5 While we will, in line with our professional duties, endeavour to ensure that any tax structure proposed to you is effective, you will appreciate that the outcome of any tax planning is never guaranteed.
- 5.6 Due to the nature of the work involved, we do not guarantee a successful outcome on any submissions or appeals made to HMRC. Your tax position depends on your own particular circumstances, and there is no guarantee that HMRC will agree that the tax relief proposed will be applicable in your circumstances.
- 5.7 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. If you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing.
- 5.8 Prior to you undertaking any transactions, ensure you have received a detailed letter of advice setting out our understanding of the tax implications arising and any associated risks. The tax treatment of any transaction can always be challenged by HMRC e.g., on the basis that HMRC assigns a different Interpretation to the legislation, which is out of our control and for which we accept no liability whatsoever.
- 5.9 If a trust is created as a result of any proposed transaction, then we are not assumed to be advising the trustees unless we enter into a separate Agreement and Letter of Engagement with them.

IR35 Reviews for contractors

- 5.10 Our turnaround time for IR35 reviews is 3-5 business days after receiving all the necessary paperwork.

- 5.11 IR35 Reviews must be carried out on an assignment-by-assignment basis, in respect of each new contract signed to ensure contractors remain IR35 compliant.
- 5.12 The nature of the IR35 legislation is such that it is based substantially upon subjective analysis of the facts and interpretation at the time. We are unable to guarantee a successful outcome if HMRC was to challenge you.

6. Your Responsibilities

- 6.1 You will be fully liable for your Personnel's actions and compliance with this Agreement.
- 6.2 You agree to work with and co-operate with us, granting us unrestricted access to your relevant business records and other necessary information as well as ongoing access to relevant business software, to enable us to perform our Services efficiently.
- 6.3 Additionally, before we start, we will agree on the types of business records and other information that you should maintain. We will also determine the timeline for you to share these records and information with us, currently set out in Schedule 2.
- 6.4 Without limiting your obligations under clauses 6.2 and 6.3, you or your Personnel will, in a timely and efficient manner:
- (a) Provide us with your business records, information, and answers to any questions we may have about your accounting in the timescales communicated to you and set out in Schedule 2. Your failure to adhere strictly to such dates may result in penalties, interests, costs and more, which we will not be liable for, and you indemnify us to the fullest extent permissible in law against any of these financial and other penalties against you which is due to your breach of these timeframes or information being incorrect or incomplete;
 - (b) Maintain and share a thorough record of all receipts, be it via credit card, bank, or cash;
 - (c) Identify all cash receipts by source (for instance, loans, sales, etc.) and provide details on all cash-based transactions.
 - (d) Share and link your bank accounts to the relevant software we may use from time to time or share it electronically;
 - (e) Share your bank deposit books and receipts with us (if applicable);
 - (f) Keep and share a record of all payments, whether made by credit card, bank, or cash;
 - (g) Provide relevant bank cash transfer information, both receipts and payments;
 - (h) Keep and share all bank and credit card statements, documented cheque stubs, and cancelled cheques with us;
 - (i) Provide us with all sales and purchase invoices with us. These should be clearly marked to indicate whether they are paid or unpaid, and if paid, the method of payment should be specified (bank, cash, credit card);
 - (j) Provide us with copies of other essential financial documents, such as summaries of cash receipts and sales, listings of accounts receivable and accounts payable;

- (k) Provide us with documentation of property and equipment transactions, including purchases, trades, sales, and other dispositions;
 - (l) Inform us about any mortgages, pledges of business assets, personal guarantees or debts, leases, or any other data that might affect your business operations;
 - (m) Provide us with any other financial details vital for maintaining accurate accounting records and a trial balance as detailed in Schedule 2.
- 6.5 If you do not meet the obligations outlined in clauses 6.1 to 6.4 and Schedule 2 in a timely manner, it could hinder our ability to provide Services. In such cases, we may either suspend our Services or terminate our engagement in addition to charging the additional fees set out.
- 6.6 It is your responsibility to ensure that your business activities are conducted with integrity. You must also safeguard your business assets and take necessary steps to prevent and detect fraud and other irregularities.
- 6.7 You are in particular responsible for:
- (a) Safeguarding and maintaining your business records, ensuring their security, and preventing fraud;
 - (b) Making certain that all financial information, whether used by the business or for accounting records, is accurate and comprehensive;
 - (c) Retaining the documentation required to validate transactions reflected in any management or audited accounts or statutory returns;
 - (d) Adopting solid accounting practices, maintaining an efficient accounting system, safeguarding assets, authorising transactions, and retaining supporting documentation for these transactions;
 - (e) Making management decisions and carrying out managerial functions;
 - (f) Designating a skilled employee to oversee the Services we offer and evaluating the results of these Services;
 - (g) Designing, maintaining, and implementing internal control systems that ensure the preparation of proper financial statements and fraud prevention;
 - (h) Informing us of any known or suspected fraud affecting you that involves management, Personnel with significant roles in internal control, or others where the fraud might have a considerable impact on the financial statements;
 - (i) Notifying us about your knowledge of any known, alleged, or suspected fraud affecting you, as well as any allegations of fraud from Personnel, former Personnel, regulators, or others;
 - (j) Making sure you comply with all pertinent laws and regulations.

7. Fees & Payment

Fees

- 7.1 Fees may be charged as a fixed amount (per project or Package) or based on time spent, as outlined, and agreed in the Letter of Engagement. Any estimates for Ad-Hoc Services and/or Fees are based on our initial understanding of the work required and scoped specifically accordingly.
- 7.2 We reserve the right to increase the Fees for any Services at any time with notice to you provided that we will not be entitled to increase the Fees on less than 30 (thirty) days prior notice.
- 7.3 If tasks fall outside the Statement of Facts as per your Letter of Engagement or are more demanding than anticipated, we may adjust our Fees accordingly with notice to you.
- 7.4 In particular, our Fees will change if:
- (a) Your business's transactions or turnover differ by more than 10% from the information you provided;
 - (b) The Statement of Facts changes, necessitating work outside this initial scope we agreed and estimated for.
- 7.5 If you have a Package, Fees will be subject to an annual adjustment in line with the RPI rate in England, with 30 (thirty) days' notice to you for both monthly and yearly Packages.
- 7.6 If you don't agree with the Fee changes, you may give the standard 3 (three) month cancellation notice and exit this Agreement without penalty. If we don't hear from you within 7 (seven) days of sending you the new Fee changes, we will assume you accept the new Fees.
- 7.7 For Ad-Hoc Services, we require full payment upfront, unless we agree otherwise in writing.
- 7.8 Your invoice will include our Fees and any related expenses. We will always discuss extra costs with you before incurring them.
- 7.9 VAT will be payable on all Fees.

Period not trading / out of contract

- 7.10 We shall continue to charge the monthly Fees as outlined and agreed in the Letter of Engagement for 2 months from the date you notify us in writing that they are not trading / out of contract and have dormant accounts.
- 7.11 Thereafter if you still not trading / out of contractual work, we will charge standard dormant accounts fees equal to 50% of the Fees agreed under the Letter of Engagement.
- 7.12 Once an account is dormant, no payroll will be run for you, and we expect no activity in the bank statement during the period of dormancy otherwise the account will not be considered dormant and full Fees agreed under the Letter of Engagement will apply.
- 7.13 We will continue to take care of accounts and all compliance in line with the terms of the Letter of Engagement at the Fee set out in 7.11 until you are trading/back to work, and your accounts are no longer dormant.
- 7.14 Once you are trading/back to work, we will resume charging the monthly Fees as agreed in the Letter of Engagement with you.

- 7.15 To provide services as per the Letter of Engagement, including submission of yearly accounts and self-assessment tax returns, a minimum of 75% of total yearly Fees must be paid.
- 7.16 Provisions under paragraphs 7.10 to 7.15 will not apply unless you are not trading / out of contractual work for a minimum of 2 full months.

Payments

- 7.17 We will invoice you for the Fees monthly. All Fees are exclusive of VAT and will be payable in Pound Sterling.
- 7.18 If you are taking a Package Services, we require you to set up a direct debit to settle our Fees.
- 7.19 If it is Ad-Hoc Services, we require an upfront BACS payment or payment via credit or debit card.
- 7.20 The following will attract additional fees set out in Schedule 1:
- (a) Cash bank deposits.
 - (b) Direct debit payment fails.
 - (c) Payments made by cheque or cash.
- 7.21 All invoices will be payable to us without deduction or set-off within 7 (seven) days from invoice. (Direct Debits excluded)
- 7.22 When making first payments by bank transfer, we require you to verify our account details over the phone to prevent any fraudulent interception of our bank account details.
- 7.23 We may review our payment procedures from time to time and you will be notified of any changes implemented or new payment methods introduced by us. Should we vary our bank account details, this will always be on a formal letter from us and signed off by a director and not a mere e-mail from an employee. Please do be vigilant and check this telephonically.
- 7.24 We will not treat any amount due and owing to us as paid until we are in receipt of cleared funds for the total amount owed.
- 7.25 If you fail to pay any invoice by its due date:
- (a) we may exercise a particular right of lien over your books and records and withhold those documents until such time as payment is received in full. In exercising this right, we will always fully comply with any legal or professional obligations;
 - (b) we may also suspend all work in process until such time as we receive full payment. Take special note that, should we not be able to process VAT, PAYE submissions or similar in this period, you hereby indemnify us in full and we will have no liability whatsoever for any fines or penalties you may incur due to late or no submission/compliance.
 - (c) all invoices for the remainder of the Term or Package will remain payable;
 - (d) should your account remain outstanding for more than 3(three) months, We will have the right to terminate any Software license. The responsibility will lie with you to ensure you either take over such license or recover the data it holds. We will not be responsible for any loss of data due to your default or omission to provide us with instructions.

- 7.26 If a payment is late, we'll add interest to the amount you owe based on the current rate set out in the Late Payment of Commercial Debts (Interest) Act 1998.
- 7.27 If we've agreed in the Letter of Engagement to use subcontractors for any part of the Services, we might ask you to pay those specific invoices directly. This ensures we can settle our subcontractor's charges on time. We'll always let you know in advance if this applies.

8. Handling Your Funds

- 8.1 At times, we might hold money on your behalf. This money will be kept separate from our own and will be held in a designated client account, separate and distinguishable and always be managed following the Clients' Money Regulations set by CIMA.
- 8.2 **We will never handle payments to HMRC on your behalf.** Instead, we will guide you to pay any owed taxes/payments directly to HMRC and point you to the right gov.uk webpage. If you ever get a request to pay us for an HMRC payment, please reach out to the Group Operations Director, Gary Zouvani on gary@dnsaccountants.co.uk immediately and do not make such payment.

9. Conflicts of Interest

- 9.1 Should a conflict of interest emerge in our relationship with you, or between you and another client of ours, and if it's possible to manage that conflict successfully by implementing appropriate safeguards to protect your interests, we will do so.
- 9.2 If any conflict is detected that cannot be addressed in a manner that safeguards your interests, we regret that we might have to cease providing further Services to you. Should this scenario arise, we will promptly notify you. We do, however, reserve the right to serve other clients, even if their interests might differ from or be in opposition to yours, provided we uphold the confidentiality obligations highlighted earlier and in line with our professional standards required by CIMA.

10. Anti-Money Laundering Legislation

- 10.1 All accountants must comply with onerous duties imposed by the Anti Money Laundering Legislation, which are intended to prevent the activities of terrorists and other criminals by denying them access to technical expertise. If we fail to adhere to these duties, we risk imprisonment.
- 10.2 Before accepting your instructions, we may need to obtain 'satisfactory evidence' to verify our identity. At times, we might also need to validate the identities of third parties, understand the source of funds or other property, ascertain the purpose behind any instructions, determine the beneficial ownership on your side, or gather other relevant information. We might also require this evidence after we have started acting on your instructions.
- 10.3 We assume that our clients are truthful and abide by the law. However, if there ever arises a reason to believe (even if we don't have actual suspicion) that your instructions might be related to 'criminal property', we are obligated to make a report to the NCA. Importantly, we are prohibited from informing you that we have made such a report.

- 10.4 If we've reported a suspicion to the NCA, we cannot act on your instructions unless we receive their consent. If the NCA does not decline our request within 7 (seven) Business Days, we may proceed. However, if they deny our request during this time, we cannot continue for an additional 31 (thirty-one) days from the refusal date.
- 10.5 'Criminal property' can take any legal form, be it money, real estate, rights, or any advantage originating from criminal activity. The actual perpetrator of the crime is irrelevant, as is the distance the property might be from the original crime. If your property, even if acquired honestly, represents a benefit from another's criminal act, we must still file a report.
- 10.6 Activity is considered 'criminal' if it is a crime under UK law, no matter how trivial. For example, tax evasion is a criminal offence, but an honest mistake is not. We will assume that all discrepancies are mistakes unless there is contrary evidence.

11. Data Protection & Retention of Documents

- 11.1 Protecting your Personal Data is important to us. Our latest privacy policy can be found at <https://www.kitchenandbrown.co.uk/privacy>. Please take particular note of our right to destroy documents we store on your behalf.
- 11.2 You agree and undertake to always comply fully with your obligations under the applicable Data Protection Laws as regards the Services and information you provide us with and indemnify us in full for any loss or damage we suffer in relation to your breach of this clause.
- 11.3 Where you provide us with Confidential Information, we will at all times, keep it confidential, except as required by law or as provided for under regulatory, ethical, or other professional rules that apply to this Agreement and the Services. The obligation is subject to our legal duty in certain circumstances to disclose information to the NCA.
- 11.4 Our firm may be subject to audit or quality checks by external firms or organisations. We may also outsource work such as administrative, research and preparation to assist with your matter. Information from your file may therefore be shared in such circumstances. We will always aim to obtain a confidentiality agreement with the third-party and will comply with the Data Protection Laws.
- 11.5 It is your legal obligation to keep documents and records pertinent to your tax matters. As we carry out our Services, we might gather information from you and other sources related to your tax dealings. We will ensure any original documentation is returned to you, subject to full payment of the outstanding invoices for Services.
- 11.6 When our engagement concludes, we'll discuss the approach concerning access to cloud-accounting records to guarantee uninterrupted Service. This might necessitate you establishing direct relationships with third-party software vendors and separately bearing any associated costs. The law mandates the retention of documents and records pertinent to your tax matters as detailed in Schedule 3 below.
- 11.7 Although some documents might technically be your property, we reserve the right to discard electronically stored correspondence and other documents that exceed 7 (seven) years in age. This

includes any of your documents left unclaimed within this 7 (seven)-year timeframe. Please notify us if you need specific documents returned before this period expires.

12. Intellectual Property Rights

- 12.1 You agree that any Intellectual Property rights owned by us or licensed by us, used in the provision of the Services will remain our property or that of the third-party licensor Specialist.
- 12.2 We may develop or invent processes, know-how or documents in the course of providing the Services, the Intellectual Property rights of which will vest in us, unless agreed otherwise upfront.
- 12.3 This clause 12 will survive the termination or expiry of our Agreement.

13. Confidential Information

- 13.1 Both Parties will maintain the confidentiality of the other's Confidential Information and will not, without the prior written consent of the other Party, disclose the Confidential Information (or permit others to do so) other than as necessary for the performance of their express rights and obligations under this Agreement.
- 13.2 Both Parties undertake to disclose the Confidential Information only to those of their Personnel, to who, and to the extent to which, such disclosure is necessary for the purposes intended under this Agreement; and ensure that such Personnel are made aware of and agree in writing to observe the obligations in this clause.
- 13.3 A Party will be responsible for the acts and omissions of its Personnel as if they were their own acts or omissions.
- 13.4 The provisions of this clause will not apply to information which: is or comes into the public domain through no fault of either Party or their Personnel; is lawfully received by a Party from another unrelated party free of any obligation of confidence at the time of its disclosure; can be proven with written evidence to have been independently developed by a Party, without access to or use of the other Party's Confidential Information; is required by law, by court or governmental or regulatory order to be disclosed, provided that the disclosing Party, where possible, notifies the other Party at the earliest opportunity before making any disclosure.
- 13.5 The obligations of both Parties under this clause will continue in full force and effect during the term of this Agreement and for a period of 10 (ten) years from the date of termination or expiry of this Agreement.

14. Insurance

- 14.1 As mandated by our professional body's regulations, we maintain professional indemnity insurance. Specifically, but not limited to these provisions, as a member of CIMA we are mandated to have:
 - (a) A suitable Professional Indemnity Insurance ("PII") policy in place to cover the Services. We confirm that we have and will maintain such a policy;
 - (b) In the event that We become unable to provide the Services agreed through incapacity or death of the partners, a continuity arrangement has been made with DNS Accountants Ltd of DNS

House, 382 Kenton Road, Harrow, HA3 8DP. The purpose of this arrangement is to look after your interests by providing continuity of services. You will be contacted in the event of such circumstances arising and you will have the option to decline to be covered by these arrangements.

- (c) Adequate continuity of practice coverage, ensuring seamless service even in circumstances of prolonged absence or potential dissolution of our firm. We confirm the establishment and continuous renewal of such a safeguard.

14.2 If you'd like details about our insurance or the extent of coverage, you can find this information at our offices or simply ask our Group Operations Director by sending an email to gary@dnsaccountants.co.uk.

15. Limitation of Liability

15.1 Your failure to do adhere to providing information by the deadlines and dates set out in this Agreement and in particular Schedule 2 below, may result in late/no submission by us and you may incur penalties, interest, and other charges/consequences as a result, for which we will have no liability of whatsoever nature to you or any other party. You hereby indemnify us in full against any claim, loss or damage suffered by you or another as a result, to the fullest extent permitted by law.

15.2 The extent of our combined liability under or in connection with this Agreement (regardless of whether such liability arises in tort, contract or in any other way related to this Agreement and whether or not caused by negligence or misrepresentation or under any indemnity) will not exceed the value of the Fees received by us under this Agreement from you in the previous 12 (twelve)-month period.

15.3 Subject to clause 15.5, we will not be liable for consequential, indirect, or special losses.

15.4 Subject to clause 15.5, we will not be liable for any of the following (whether direct or indirect): a) loss of business, profit, or revenues; b) damage, destruction, loss of use or corruption of any data; c) loss or corruption of software or systems; d) loss or damage to equipment; e) harm to reputation or loss of goodwill; f) loss of use; h) loss of contract or commercial opportunity; i) loss or liability (direct or indirect) in relation to any other contract; and/or j) wasted expenditure, k) loss or liability due to late/non-submission of statutory filings due to your late/non-submission of information as required.

15.5 Irrespective of any other provision of this Agreement, our liability will not be limited or excluded in any way in respect of the following: a) death or personal injury caused by negligence; b) fraud or fraudulent misrepresentation; and/or any other losses which cannot be excluded or limited by applicable law.

15.6 The way you apply any Work or advice we provide will remain subject to good practice and due diligence on your part.

15.7 Nothing in this clause or Agreement should be construed as an attempt to limit our legal or professional duty of care to you in providing the Services.

15.8 This clause will survive termination of this Agreement.

16. Termination

Termination by you

- 16.1 If you have chosen a monthly Package for a minimum period, this may not be cancelled before expiry of that period as set out in your Letter of Engagement. If you do terminate it early you will be liable for the full minimum period's Fees on termination.
- 16.2 For Ad Hoc or project services, You may terminate this Agreement and the Services under it in writing (either by letter or email) at any time, with not less than 3 (three) months' prior notice for Package Services or Ad-Hoc projects. For Ad-Hoc Services of a shorter duration than 3 months, we require 30 (thirty) days' notice.

Termination by us

- 16.3 We may stop acting for you and terminate this Agreement with no less than 3 (three) month's prior written notice for any reason.

Immediate termination

- 16.4 Without affecting any other right or remedy available to Us, We may terminate this Agreement with immediate effect by giving written notice to You if:
- (a) You fail to pay an amount due under this Agreement on the due date for payment and remain in default not less than 14 (fourteen) days after being notified in writing to make such payment;
 - (b) You commit a material breach of any term of this Agreement and (if such breach is remediable), fail to remedy that breach within a period of 14 (fourteen) days after being notified in writing to do so;
 - (c) You commence negotiations with all or any class of your creditors with a view to rescheduling any of Your debts, or make a proposal for or enter into any compromise or arrangement with any of Your creditors other than (being a company) for the sole purpose of a scheme for Your solvent amalgamation with one or more other companies or Your solvent reconstruction;
 - (d) You take or have taken against you (other than in relation to a solvent restructuring) any step or action towards entering bankruptcy, administration, provisional liquidation or any composition or arrangement with Your creditors, applying to court for or obtaining a moratorium under Part A1 of the Insolvency Act 1986, being wound up (whether voluntarily or by order of the court), being struck off the register of companies, or having a receiver appointed to any of Your assets;
 - (e) the holder of a qualifying floating charge over Your assets (being a company or limited liability partnership) becomes entitled to appoint or has appointed an administrative receiver;
 - (f) You suspend or cease, or threaten to suspend or cease, carrying on business;
 - (g) Your financial position deteriorates to the extent that in Our reasonable opinion Your ability to comply with the terms of this Agreement is jeopardised;
 - (h) there is a change of control of Your business, within the meaning of section 1124 of the Corporation Tax Act 2010.

Consequences of termination

- 16.5 If either of us terminate, we will issue a disengagement letter, setting out our respective responsibilities to finalise any outstanding Services.
- 16.6 We will stop providing Services on the date of termination.
- 16.7 All outstanding/unpaid invoices and any other Fees (including Early Termination Fees) will become immediately payable. Where no invoice has been submitted yet, we may submit an invoice which will be payable on receipt.
- 16.8 Each Party will return to the other all equipment, materials, Confidential Information, and property belonging to and supplied by that other Party in connection with this Agreement. We will return all documents and materials (and any copies) of the Work.
- 16.9 We will terminate any software licenses we hold on Your behalf on termination. The onus will be on You to take over or extract the required data from such Software, before access becomes restricted, or data is deleted. We will have no liability to You if You refuse/omit to instruct us in this regard.

17. Force Majeure

- 17.1 We will do our best to fulfil our obligations under this Agreement, however, certain circumstances beyond our control may impact our ability to perform as expected. To the maximum extent permitted by law, We will not be liable for any breach, delay, or default in the performance of this Agreement to the extent it (or the circumstances giving rise to it) arises from Force Majeure. Force Majeure for purposes hereof will include, but not be limited to circumstances out of a Party's control and that it could not have foreseen such as, epidemic, pandemic, war, Acts of God, any circumstance not within Our reasonable control including, without limitation acts of God, flood, drought, earthquake or other natural disaster; epidemic or pandemic; terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; nuclear, chemical or biological contamination or sonic boom; any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition[, or failing to grant a necessary licence or consent; collapse of buildings, fire, explosion or accident;[any labour or trade dispute, strikes, industrial action or lockouts, and interruption or failure of utility service or internet connection.
- 17.2 We will promptly notify You in writing when such circumstances cause a delay or failure in performance and when they cease to do so.
- 17.3 If this exists for a continuous period of more than 3 (three) months, You may terminate this Agreement by written notice to Us, without penalty.

18. Electronic Communications Risk

- 18.1 Both Parties acknowledge that electronic communication, whether by email, message, or other means, is not always secure. Such communications can be intercepted, lost, arrive late or incomplete, or be affected by viruses.

- 18.2 We will use reasonable endeavours to protect our systems from viruses and malicious software, however, we do not warrant that any electronic communication we send will be free from viruses or other harmful components.
- 18.3 We will not be liable to you for any losses, liabilities, damages, costs, or expenses arising, directly or indirectly, from an electronic communication being intercepted, tampered with, redirected, delayed, or lost, or from a transmission containing harmful software or data corruption. It may therefore be prudent to check any advice contained in an e-mail before relying on it.
- 18.4 You agree to similarly use all reasonable endeavours to ensure that any electronic communication you send to us is free from viruses and other harmful components.
- 18.5 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.
- 18.6 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 for you.

19. Dispute Resolution, Governing law, and Jurisdiction

- 19.1 If there's a dispute about the existence, interpretation, and effect of this Agreement; the Parties' respective rights or obligations under this Agreement; or the rectification of this Agreement, it will be decided in accordance with the provisions set out below.
- 19.2 The Party who identifies the disagreement must write to the other Party outlining what the disagreement is about. Then, within 14 (fourteen) Business Days, senior managers from each side will meet virtually and try to reach an agreement in a friendly way.
- 19.3 If, after a further 14 (fourteen) days we still can't resolve the dispute, the dispute will be referred to an independent mediator in England, who we'll both agree on and if we can't agree, will be nominated by the LCIA. The mediator will try to help us resolve the disagreement within a further 30 (thirty) days.
- 19.4 If mediation (above) doesn't resolve the dispute and no settlement was reached within the 30 (thirty) days, the dispute may either be referred for arbitration or a court with jurisdiction at Our discretion.
- 19.5 If We elect arbitration:
- (a) we will follow the LCIA Rules, and the process will be handled by a single independent arbitrator, in English.
 - (b) the seat of the arbitration in terms hereof will be London, England and the governing law, English Law.
- 19.6 We both agree that the decision reached through this dispute resolution process will be final and we will both have to follow it.
- 19.7 These rules are severable from the rest of the contract and will survive termination of this Agreement.

20. Non-Solicitation

- 20.1 To safeguard our business interests, you agree not to, without our prior written permission, for the duration of this Agreement and a period of 12 (twelve) months after it terminates:
- (a) attempt to solicit or entice away or
 - (b) successfully solicit or entice away any of our key Personnel to leave us, unless it's through a general advert for employment which you can show was not aimed at our team and which interviewed against a reasonable number or other prospective applications.
- 20.2 **'Key Personnel'** For this clause, means anyone working on the **Accountancy Compliance Services** in the DNS Firm of Companies, whose departure would potentially harm our business.
- 20.3 If you breach this clause, you will become liable for a fee of £20,000.00 as liquidated damages.

21. General

- 21.1 Any reference to this Agreement includes all Schedules which will be considered to have been incorporated into this document and will form an integral part of it. Expressions defined in the main Agreement will also apply to a Schedule unless it states differently.
- 21.2 In the event of any conflict between the provisions of this Agreement and the Schedule, this Agreement will prevail.
- 21.3 A reference to a Party will include a reference to that Party's successors and assigns. This Agreement will be binding on and enforceable by the heirs, trustees, estates, executors, administrators, liquidators and/or assigns of the Parties as fully and effectively as if they had signed this Agreement in the first place and reference to any Party will also be to them, as the case may be.
- 21.4 Any reference to legislation or subordinate legislation or to any other agreement is to it at the Commencement Date and as amended and/or re-enacted from time to time.
- 21.5 Where the day on or by which anything is to be done is not a Business Day, it will be done on or by the first Business Day after.
- 21.6 A reference to a document will include an amendment or supplement to or a replacement or novation of that document.
- 21.7 If any provision in any definition set out in any clause in this Agreement is a substantive provision giving rights or imposing obligations on any Party, effect will be given to it as if it were a substantive provision set out in the body of this Agreement.
- 21.8 No remedy granted by this Agreement will exclude any other remedy available at law.
- 21.9 Earlier drafts of this Agreement will not be admissible in any proceedings as evidence of any matter relating to any negotiations preceding the signature of this Agreement.
- 21.10 The use of any expression in this Agreement covering a process available under English law such as a winding up will, if any of the Parties to this Agreement is subject to the law of any other jurisdiction, be interpreted as including any equivalent or similar proceedings under the law of such defined jurisdiction.

- 21.11 Any reference in this Agreement to a Party will include a reference to that Party's assigns expressly permitted under this Agreement and, if such Party is liquidated or sequestrated, be applicable also to and binding upon that Party's liquidator or trustee, as the case may be.
- 21.12 If any provision of this Agreement or of any part hereof to any extent is or becomes invalid or unenforceable, the Parties will agree on such adjustments as are necessary and reasonable in order to ensure continued delivery of the unaffected portions and to secure the vital and strategic interests of the Parties, taking into account the main objectives fundamental at the time of execution of this Agreement.
- 21.13 This Agreement may only be amended in writing signed by duly authorised representatives of the Parties. For this purpose, advanced electronic signatures will be acceptable.
- 21.14 This Agreement contains the whole agreement between the Parties in respect of the subject matter of Agreement and supersedes and replaces any prior written or oral agreements, representations or understandings between them relating to such subject matter. The Parties confirm that they have not entered into this Agreement on the basis of any representation that is not expressly incorporated into this Agreement.
- 21.15 The words "include", "including" and "in particular" will be interpreted as being by way of example or emphasis only and will not be interpreted as, nor will they take effect as, limiting the generality of any preceding word/s.
- 21.16 The words "other" and "otherwise" will not be construed with any preceding words (as the same kind) where a wider construction is possible.
- 21.17 Unless the context otherwise requires, any reference to European Union law that is directly applicable or directly effective in the UK at any time is a reference to it as it applies in England and Wales from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11 p.m. on 31 January 2020 from time to time.
- 21.18 All other warranties terms and conditions, express or implied by statute or otherwise, are excluded to the fullest extent permitted by law.
- 21.19 A reference to a 'person' includes a natural person, corporate or unincorporated body (in each case whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns.
- 21.20 A reference to a 'company' includes any company, corporation or other body corporate, wherever and however incorporated or established.
- 21.21 A reference to a gender includes each other gender and words in the singular include the plural and vice versa.
- 21.22 A reference to 'writing' or 'written' includes e-mail.
- 21.23 When we use words in the singular form, they also include the plural form, and vice versa.

- 21.24 References to statutory provisions or laws include any changes, amendments, extensions, consolidations, replacements, or re-enactments of those provisions or laws and similarly for documents, the latest versions of such documents.
- 21.25 Expressions defined in this Agreement will bear the same meanings in any Schedule and the Engagement Letter unless it contains its own definitions.

SCHEDULE-1

Additional Fees

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.

Fees for Services provided to you are as set out in the Letter of Engagement read with the Statement of Facts.

Additional Fees (over and above any package pricing where applicable)

Type of Service	Information Required	Additional Charge Applicable
BACS payment	For monthly packages not paid by Direct Debit, an admin charge will be added to your invoice for processing bank transfer payments.	£50 plus VAT
Cheque payment	An admin charge will be added to your invoice for processing payments by cheque.	£25 plus VAT
Cash payment	An admin charge will be added to your invoice for processing payments by cash.	£25 plus VAT
Direct Debit failure	An admin charge will be added to your invoice for any failed direct debit payments.	£50 plus VAT
Work on hold charge	An admin fee if your work has been put on hold for non-payment of fees	£50 plus VAT
Missed meeting	Fee for failure to attend meeting	£50 plus VAT
Onboarding fee	An admin fee covering onboarding and set-up on software, systems and processes	£250 plus VAT
Cancellation fee	An admin fee covering the cancellation of services from software, systems and processes.	£100 plus VAT
Liquidator requests	Fee for dealings with requests for information from Liquidators	From £500 plus VAT
Debt collector visits	Fee for dealing to debt collector visits where we act as the registered office.	Minimum £50 plus VAT (for each 15 mins)

VAT

All the above sums are stated exclusive of VAT, which you will pay in addition, at the rate applicable at the relevant time upon receipt of a valid VAT invoice in each case.

Schedule 2

Timescales and details of Information to be provided

The below timeframes and submissions are subject to you instructing us to provide such Services in terms of the Letter of Engagement or the Services or Amended Services.

Your failure to do adhere to providing information by the dates set out below, so, may result in late/no submission by us and you may incur penalties, interest, and other charges/consequences as a result, for which we will have no liability of whatsoever nature.

Type of Service	Information Required	Deadline Date	Additional Charge Applicable
Payroll	Changes to fixed payroll New employees Variable payroll	20 th of payroll month	
VAT	Bills for the period Invoices for the period	20 th of the month following the end of a VAT Quarter	£100 plus VAT for late documents (at firm's discretion)
Final Accounts	All information required for the preceding financial Year as requested	240 days from the date of its Year End	£100 plus VAT for documents after 210 days, £75 plus VAT for additional draft accounts (after the first 2), £30 plus VAT per hour for rectifying bookkeeping errors
Final Accounts	Response time required to queries on data provided to complete Final Accounts	5 working days in first 240 days from the date of its Year End. 2 working days between 241 and 270 days from the date of its Year End	£50 plus VAT on each occasion
Interim Estimated Accounts	Fee for the filing of Interim Estimated Accounts		£75 plus VAT
Accounting Period Extension	Fee for applying for a 3-month extension of year end accounts submission date		£100 plus VAT
Confirmation Statement	Amendments required and Approval	5 days before submission deadline	£25+VAT if not included in package, £25+VAT for late approval for filing
Director's Tax Self-Assessment	All documents and information necessary and requested	30 September after the tax year's end	£50 plus VAT for documents received after September
Individual's Tax Self-Assessment	All documents and information necessary and requested	30 November after the tax year's end	Higher of £50 plus VAT or 10% of Agreement fee for late documents
Tax Planning & Advice	Separate engagement letter		

Schedule 3

Periods to keep records:

Periods the law mandates you keep records:

- (a) For individuals, trustees, and partnerships:
 - i) For those with trading or rental income: keep records for five years and 10 (ten) months post the tax year's end.
 - ii) For all other situations: keep for 22 (twenty-two) months post the tax year's end.
- (b) For companies, LLPs, and other corporate entities:
 - i) Keep records for 6 (six) years following the end of the accounting period.

These periods are correct as of August 2023. The latest up to date periods can be found at:

<https://www.gov.uk/keeping-your-pay-tax-records/how-long-to-keep-your-records> or any

replacement

website as published by the HMRC.