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**DIRECTORS:**  
Robert Brown FCA  
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**CONSULTANTS:**  
**TAXATION:**  
Estelle Sherlock MA, BSc, FCA, CTA  
Barbara Cordner BA, ATT, CTA  
**BUSINESS:**  
Bruce Cunningham FCA

## STANDARD TERMS AND CONDITIONS OF BUSINESS

### 1. Applicable Law

This engagement letter, the schedule of services and our standard terms and conditions of business are governed by, and should be construed in accordance with English law. Each party agrees that the courts of England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it on any basis. Each party irrevocably waives any right to object to any action being brought in those Courts, to claim that the action has been brought in an inappropriate forum, or to claim that those Courts do not have jurisdiction.

### 2. Client identification

As with other professional services firms, we are required to identify our clients for the purposes of the UK anti-money laundering legislation. We may request from you, and retain, such information and documentation as we require for these purposes.

### 3. Client money

We may from time to time hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Money Regulations of the Institute of Chartered Accountants in England and Wales. We will return monies held on your behalf promptly, as soon as there is no longer any reason to retain those funds.

### 4. Complaints

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

### 5. Confidentiality

We confirm that where you give us confidential information, we shall at all times keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional statements relevant to our engagement. As part of our ongoing commitment to providing a quality service, our files are periodically reviewed by the Institute of Chartered Accountants in England and Wales. The reviewers are highly experienced and professional people and, of course, are bound by the same rules for confidentiality as our principals and staff.

### 6. Conflicts of interest

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

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. 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.

## 7. Data Protection

- 7.1 In this clause the following definitions shall apply:  
'client personal data' means any personal data provided to us by you, or on your behalf, for the purpose of providing our services to you, pursuant to our engagement letter with you;  
'data protection legislation' means all applicable privacy and data protection legislation and regulations including PECR, the UK GDPR and any applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time;  
'controller', 'data subject', 'personal data', and 'process' shall have the meanings given to them in the data protection legislation;  
'UK GDPR' means the Data Protection Act 2018 as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2020; and  
'PECR' means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2020.
- 7.2 We shall each be considered an independent data controller in relation to the client personal data. Each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.
- 7.3 You shall only disclose client personal data to us where:  
(i) you have provided the necessary information to the relevant data subjects regarding its use (and you may use or refer to our privacy notice available at [www.dmcpartnership.com](http://www.dmcpartnership.com) for this purpose);  
(ii) you have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject's consent; and  
(iii) you have complied with the necessary requirements under the data protection legislation to enable you to do so.
- 7.4 Should you require any further details regarding our treatment of personal data, please contact our head of privacy Estelle Sherlock.
- 7.5 We shall only process the client personal data:  
(i) in order to provide our services to you and perform any other obligations in accordance with our engagement with you;  
(ii) in order to comply with our legal or regulatory obligations; and  
(iii) where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects' own privacy rights. Our privacy notice (available at [www.dmcpartnership.com](http://www.dmcpartnership.com)) contains further details as to how we may process client personal data.
- 7.6 For the purpose of providing our services to you, pursuant to our engagement letter, we may disclose the client personal data to our regulatory bodies or other third parties (for example, our professional advisors or service providers). The third parties to whom we disclose such personal data may be located outside of the United Kingdom. We will only disclose client personal data to a third party (including a third party outside of the UK) provided that the transfer is undertaken in compliance with the data protection legislation.
- 7.7 We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data.
- 7.8 In respect of the client personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:  
(a) we receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of our processing of their personal data;  
(b) we are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner's Officer); or  
(c) we reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.
- 7.9 Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the services provided to you in accordance with our engagement letter with you in relation to those services.

## **8. Electronic and other 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 despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication especially in relation to commercially sensitive material. Emails with attachments will be sent without encryption unless you specifically request us to do so. 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.

Periodically we will send you copies of our newsletter and of other information that we believe you should be aware of or which may be of interest to you.

## **9. Fees and payment terms**

Our fees are calculated on the basis of the time spent on your affairs by the principals and staff and on the levels of skill or responsibility involved. Our fees will be billed together with outlays and VAT, and our invoices will be due for payment when issued. We may offer you the facility to pay your professional fees by 3 monthly instalments. We do not charge any interest or charges (except for default charges). As these terms have been agreed after 18 March 2015 this instalment agreement is not a regulated credit agreement.

If we need to do work outside the responsibilities outlined in our engagement letter, we will advise you in advance. This will involve additional fees.

Where requested we may indicate a range of fees for a particular assignment. It is not our practice to identify 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 range and to seek your agreement thereto.

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 more than 30 days after the requested payment date. We intend to exercise these rights only where it is fair and reasonable to do so.

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

## **10. Investment advice**

Investment business is regulated by the Financial Services and Markets Act 2000. If during the provision of professional services to you, you need advice on investments, we may have to refer you to someone who is authorised by the Financial Conduct Authority.

## **11. Lien**

Insofar as we are permitted to so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

## **12. Limitation of liability**

We undertake that we will exercise due care in the performance of our work in accordance with applicable professional standards. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or wilful default.

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 misrepresented to us. This applies equally to fraudulent acts, misrepresentation or wilful default on the part of any party to the transaction and their directors, officers, employees, agents or advisers.

You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it.

We will perform the engagement with reasonable skill and care. The total aggregate liability to the Client (that is all persons to whom the engagement letter applies), whether in contract, tort or otherwise, of DMC partnership Limited for any losses whatsoever and howsoever caused arising from or in any way connected with this engagement shall not exceed a total of three times our annual fee in respect of all non-audit work.

By signing the engagement letter you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it you should contact us to discuss it before signing the engagement letter.

### **13. 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. 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.

### **14. Professional rules and statutory obligations**

We will observe and act in accordance with the bye-laws, regulations and Code of Ethics of the Institute of Chartered Accountants in England and Wales and will accept instructions to act for you on this basis. The Institute's requirements can be found at [www.icaew.com/regulations](http://www.icaew.com/regulations). In particular you give us the authority to correct errors made by HMRC where we become aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.

### **15. Professional liability insurance**

In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is AXA Insurance UK PLC and can be contacted via Custodian Management Ltd, Unit 35, Smithbrook Kilns, Cranleigh, Surrey, GU6 8JJ. The territorial coverage is worldwide excluding professional business carried out from an office in the United States of America or Canada and excludes any action for a claim bought in any court in the United States of America or Canada.

### **16. Retention of papers**

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

Individuals, trustees and partnerships:

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

Companies, Limited Liability Partnerships and other corporate entities:

- 6 years from the end of the accounting period.

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 if you require the return or retention of any specific documents for a longer period.

## **AGREEMENT OF TERMS**

Unless otherwise agreed our work will begin when we receive your implicit or explicit acceptance of this letter. Except as otherwise agreed we will not be responsible for periods before that date.

This letter supersedes any previous engagement letter for the period covered. Once agreed, this letter will remain effective from the date of signature until it is replaced. You or we may agree to vary or terminate our authority to act on your behalf at any time without penalty. Notice of variation or termination must be given in writing.

### **Confirmation of your agreement**

Please confirm your agreement to the terms of this letter and the attached schedules by signing where indicated and returning the enclosed copies.

### **Data Protection**

We are committed to ensuring the protection of the privacy and security of any personal data which we process. Your attention is drawn to clause 7 above which details how we treat personal data received by us in the provision of our services during our engagement with you. By signing this letter, you confirm that you have read and understood that clause and any privacy notice referred to therein.

If this letter and the attached terms of business are not in accordance with your understanding of our terms of appointment, please let us know.

Yours sincerely,

### **DMC Partnership Limited**

We acknowledge receipt of this letter, and we agree to this letter and confirm that the terms of business contained therein **including clause 7 relating to data protection and the other attached schedules** fully records the agreement between us concerning your appointment to carry out the work described in it.

Signed ..... Date .....

Signed ..... Date .....

### **SCHEDULES ATTACHED – (to be read as part of this letter of engagement)**

**Company Accounts and Taxation**  
**Sole trader Accounts and Personal Taxation**  
**Partnership Accounts and Taxation**  
**Limited Liability Partnership Accounts and Taxation**  
**Payroll and Data Processor Agreement**  
**VAT Returns - Making Tax Digital**  
**VAT Returns - Filing Returns Under Making Tax Digital**  
**Personal tax**  
**Trusts**  
**Independent Examination**  
**Bookkeeping**  
**One off advice**