

DAVID AND BROWN LTD

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LETTERS OF ENGAGEMENT

In accordance with the recommendations of our professional body, Association of Accounting Technicians, this letter confirms the basis on which we provide services to you so as to avoid any misunderstandings of our respective responsibilities. Vinu Kattathuvalel Mathews MAAT will be your main point of contact and will have primary responsibility for this assignment. This letter including the attached schedules of services together with our standard terms and conditions set out the basis on which we will act.

1) Anti money laundering legislation

All accountants must comply with onerous duties imposed by the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 (the “Anti Money Laundering Legislation”), which are intended to inhibit the activities of terrorists and other criminals by denying them access to technical expertise. If we fail to perform these duties, we risk imprisonment.

As with other professional services firms, we are required to identify and verify our clients for the purposes of the UK anti-money laundering legislation. Save in exceptional circumstances we cannot start work until this requirement has been met. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases including ID verification software. To check the authenticity of photo ID and address we rely on third party online biometric application called Aplyid.

If you are undertaking business that requires you to be supervised by an appropriate supervisory authority to follow anti-money laundering regulations, including if you accept or make high value cash payments of €10,000 or more (or equivalent in any currency) in exchange for goods, you must inform us.

We assume that our clients are honest and law abiding. However, if at any time, there appear to be grounds to suspect (even if we do not actually suspect) that your instructions relate to ‘criminal property’, we are obliged to make a report to the National Crime Agency (“NCA”), but we are prohibited from telling you that we have done so.

In such circumstances, we must not act on your instructions without consent from NCA. If NCA do not refuse consent within 7 working days we may continue to act. If NCA issue a refusal within that time, we must not act for a further 31 days from the date of the refusal.

‘Criminal property’ is property in any legal form, whether money, real property, rights or any benefit derived from criminal activity. It does not matter who carried out the criminal activity or how removed the property is from the original crime. Even if you are honest in your dealings, if your property represents a benefit from someone else’s crime, we must still make a report.

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.

3) Client monies

We do not hold any client money in our client account.

4) Fees

Our fees are computed on the basis of time spent on your affairs and the responsibility and skill involved by the partners and staff of this firm. Unless otherwise agreed, our fees will be charged separately for each main class of work mentioned above and will be billed at appropriate intervals during the course of the year.

Any additional work required will be confirmed before it is undertaken. This agreement relates to the accounting year of the company and is deemed to continue for future accounting periods unless either party decides to terminate it, in which case, notice needs to be given in writing before the commencement of the next accounting period, once the accounting year has started, the agreement is binding for that year.

5) Limitation of Liability

Exclusion of liability in relation to circumstances beyond our control

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.

Exclusion of liability relating to the discovery of fraud etc.

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.

4) Indemnity for unauthorised disclosure

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.

LIMITATION OF LIABILITY: YOUR ATTENTION IS DRAWN TO THIS CLAUSE

We will provide the Services with reasonable care and skill. However, we will not be responsible for any Losses arising from the supply by you or others of late, inaccurate or incomplete information, or from the failure by you or others to supply any appropriate information or your failure to act upon our advice.

The advice which we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it.

No liability is accepted in respect of Losses arising from events that either party may have reasonably contemplated as likely to arise, from time to time, prior to the inception of these terms or their replacement.

All work performed is conducted by reference to current legislation according to the accounting or fiscal period. We cannot be held responsible for future developments or changes in law. Nothing in the Contract shall limit or exclude our liability for death or personal injury caused by our negligence or for fraud or fraudulent misrepresentation or any other liability which cannot be limited or excluded by law. Subject to this clause, we shall not be liable to you, whether in contract, tort (including negligence), breach of statutory duty, misrepresentation, or otherwise, for any loss of profit, loss of revenue, loss of contracts or business, loss of or damage to goodwill, loss of data or information, expenses, damages, delay, costs or compensation (whether direct or indirect); or any indirect or consequential loss or damages which may be suffered or incurred by you. We do not provide any advices in respect of IR35. It is your duty to seek independent legal advice to assess your employment status in relation to IR35. We do not accept any liability caused due to this.

The total aggregate liability to the company and the Board of Directors, as a body, of whatever nature, whether in contract, tort (including negligence), breach of statutory duty, misrepresentation, or otherwise, of David and Brown Ltd for any losses whatsoever and howsoever caused from or in any way connected with this engagement shall not exceed £250. In agreeing to these Terms you will be agreeing to this limitation and you should consider the fairness of this limit before doing so and where appropriate seek formal legal advice on the extent of this limitation of liability.

Each Party acknowledges that it has not relied on, will have no remedies (whether in equity, contract, tort (including negligence), for breach of statutory duty, for misrepresentation (including negligent misstatement), or in any other way for any warranty, assurance, guarantee or representation which is not expressly set out in the Contract.

We give no warranty in relation to the Portal, and to the maximum extent permitted by law, we do not warrant that the Portal will be error-free, timely, reliable, entirely secure, virus-free, and available or that it will be suitable for your purposes or requirements.

We would advise you to take independent advice before signing this Engagement Letter since, by doing so, you will agree to its terms including the limitations on our liability.

5) 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.

6) Commissions or other benefits

In some circumstances, commissions or other benefits may become payable to us in respect of introductions to other professionals or transactions we arrange for you, in which case you will be notified in writing of the amount, the terms of payment and receipt of any such commissions or benefits.

Any commission received will be paid to you.

7) Ownership of records

In the event of non-payment of our fees for services rendered, we may exercise a particular right of lien over the books and records in our possession and withhold the documents until such time as payment of our invoice is received in full.

8) File destruction

Whilst certain documents may legally belong to you, unless you tell us not to, we intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we think may be of continuing significance. If you require the retention of any document, you must notify us of that fact in writing.

9) Ethical guidelines

We will observe the ethical guidelines of the Association of Accounting Technicians and accept instructions to act for you on the basis that we will act in accordance with those guidelines. A copy of these guidelines will be supplied to you on request.

10) Customer service

We are committed to providing a high standard of customer service. If you have any ideas as to how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you are invited to call the principal, identified in the engagement letter. In the event that you have a complaint, we will look into this carefully and promptly and do all we can to explain the position to you or address your concerns. If you are still not satisfied you can refer your complaint to our professional body, Association of Accounting Technicians (AAT)

Investment Advice

We are not authorised to provide any investment advice. We will not provide any investment advice.

11) Third parties

All accounts, statements and reports prepared by us are for your exclusive use within your business or to meet specific statutory responsibilities. They should not be shown to any other party without our prior consent.

No third party shall acquire any rights pursuant to our agreement to provide professional services.

12) Applicable law

This engagement letter is governed by, and construed in accordance with, English law. 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. Each party irrevocably waives any right it may have 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.

13) Terms of continuity

All licensed members must make adequate continuity of practice arrangements to ensure the professional needs of their clients will be dealt with in the event of becoming incapacitated through circumstances such as ill health or death.

14) Implementation

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

The Provision of Services Regulations 2009 ('Services Directive')

Our professional indemnity insurer is Chiswell insurance of 10 Fenchurch Avenue London, EC3M 5BN. The Geographical coverage is European Union, including the United Kingdom. The applicable Courts is European Union, including the United Kingdom. Claims first brought in the USA / Canada are NOT covered. Taxtotal is the trading name of David and Brown Limited (11227728) registered in England and Wales. Registered address is 5 Brayford Square, London, United Kingdom, E1 0SG. Vinu Kattathuval Mathews is licensed and regulated by AAT under licence number 1002495.

15) Continuity of practice

AAT requires all licence holders to have continuity of practice cover in place to ensure their practice can continue in the event of any short-term illness, long term absence or cessation of the firm. It is in the public interest that AAT ensures licence holders have continuity of practice cover to ensure services are uninterrupted to protect the interests of clients at all times. The continuity of practice cover for David and Brown Ltd is Ayhan Koya IFA, ASR Accountancy Ltd, 18 Barking Rd, London E6 3BP. Email id is ayhan@asraccountancy.co.uk.

16) Data Protection

We are committed to protecting your privacy. We are registered with the Information Commissioner and we will comply with our obligations under the General Data Protection Regulation (EU2016/679) and applicable UK domestic legislation ("Data Protection Law") in collecting, using or processing any personal information which you may supply to us in connection with any work we undertake on your behalf.

For further information about how we comply with Data Protection Law, process personal data including the legal basis for processing your personal data and your rights, please see the privacy policy at attached to this engagement letter.

If you have any comments or queries about privacy or our compliance with Data Protection Law, please contact our Data Protection Compliance Partner (Vinu Kattathuval Mathews) as follows:

Email: info@taxtotal.co.uk

Telephone: 07400904442

You also have the right to make complaints to the Information Commissioner about the way in which we protect your privacy. More information is available at www.ico.org.uk.

17) Payment terms

Payment terms are 14 days from the date of our invoice. We will have the right to charge interest at a rate of the Bank of England base rate, from time to time, on any amount overdue but not paid, calculated on a daily basis from the due date until the date of payment in full (both before and after judgment). A debt recovery fee may be charged in accordance with the latest limits set out in any late payment legislation including the Late Payments of Commercial Debts (Interest) Act 1998 (as amended) and any regulations made under the powers contained in this Act. The amount of the debt recovery fee will depend on the size of the debt. You will be liable to pay to Basis any additional costs, fees or charges that we may incur in connection with enforcement of any amount owed by you to Basis including, but not limited to court fees and legal expenses.

18) Period of engagement and termination

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

Each of us may terminate this agreement by providing notice in writing before the commencement of the next accounting period 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. Professional rules and statutory obligations

Any fees paid to us in relation to the services promised will not be refunded to you at any instance in case of termination of contract without submitting return.

19) Disclaimer

We will not be liable for any loss suffered by you or any third party as a result of our compliance with the Anti Money Laundering Legislation or any UK law or at all.

Self Assessment for directors and shareholders are not included in our fees and we need to provide separate engagement letter if you want David and Brown to submit the self assessments on behalf of you. We will charge extra for submission of self assessment.