



Davison & Co. Accountants Ltd: Registered in England & Wales, Company No. 06061195
Registered Office: 294 Askern Road,, Toll Bar, DONCASTER, DN5 0QN

Dear Client

1 Accountancy Services: Terms of Engagement

Thank you for your instructions to **Davison & Co. Chartered Management Accountants** to provide you with services in connection with accountancy and taxation.

- 1.1 Members in Practise of the **Chartered Institute of Management Accountants (CIMA)** subscribe to the promotion of high standards, ethical awareness and best practise. As part of those standards, engagement terms are issued and agreed to any work being undertaken.
- 1.2 This letter has been prepared following discussions with you on a previous date and, together with Annex 1, sets out the terms on which our services will be provided. Please read all the information carefully and contact us if you have any concerns or require clarification.
- 1.3 In this letter “we” and “us” and “our” relate to this accountancy practise and “you” and “your” relate to you the client.

2 Scope of Services

- 2.1 Our services will be provided solely by Davison & Co. and we will advise you of any proposed change. The services to be provided, timescales and fees are listed in Annex 1.

3 Responsibilities

Our responsibilities are to:

- 3.1 observe the laws of CIMA.
- 3.2 keep and maintain records of work completed and make them available to you on your request.
- 3.3 Provide regular reports on the progress of any work being carried out on your behalf.
- 3.4 raise any issues or concerns that may be found during the term of the engagement.
- 3.5 return any information owned by you within 14 working days upon termination of this engagement and once payment for work carried out by the practise has been made.
- 3.6 Keep records in compliance with the relevant Data Protection Legislation.

Your responsibilities are to:

3.7 Provide the following proof of identity, current address and business address as required by the anti-money laundering regulations.

- a. A utility bill within the last three months
- b. Passport or driving license of all named directors/partners/principles.
- c. Certificate of Incorporation (if Ltd Company)

3.8 ensure that records of your business activities are correct and maintained to meet the requirements of regulatory authorities.

3.9 Disclose all information to enable us to complete the work within agreed timescales as set in Annex 1.

3.10 Allow full and free access to financial and other records held by yourselves or third parties.

4 Fees

4.1 Our fees are based on a variety of factors including time, complexity, skill level and legal submission requirements. Annex 1 lists the services we agree to supply on a variable basis. Any additional work required which is not covered by these terms will be agreed with you and if required a new Annex 1 issued.

4.2 Payment of our fees rendered by invoice are due within 14 days from that billing date. Interest may be applied to any overdue accounts at a rate of (3%). Where payment has not been received we reserve the right to withhold services, documents and information, and have the right to cease work on your account, and to terminate the engagement if payments are unduly delayed.

4.3 Any expenses incurred whilst working on your behalf will be charged and appropriate records will be kept and will be available for inspection. Such expenses may include the use of meeting rooms and other facilities, internal printing, courier charges, and telephone charges.

5 Holding Client Monies

5.1 Client money is held in an account separate from this practise. Interest will only be paid once it exceeds £50.00 to avoid disproportionate administrative costs. We recommend that you also view CIMA's Client Money Regulations which can be found on the Institute's website.

6 Retaining and Accessing Records

6.1 Any information produced or relating to the work we undertake for you that will be returned to you and should be kept for a period of no less than 6 years from the end of the tax year in question.

6.2 You will agree that any work completed and work in progress for which payment is outstanding will be held by us until any fees relating to it have been paid.

7 Confidentiality and Conflicts

7.1 We agree never to share information relating to your business with any third party without prior consent, unless we are required to by law or to comply with regulations or quality control reviews. Likewise you agree not to copy or allow use of the output of the work we do for a third party without our prior permission.

7.2 We recognise that we may have to stop providing services to you in the event that a conflict arises between our duties to you and to another client. You will notify us if you have any reason to believe that such a conflict has arisen or may arise.

7.3 We may communicate with you electronically and you accept the risks associated with such communications, except anything arising through our negligence or wilful default.

8 Legislation and compliance

8.1 We are obliged by law and by CIMA to undertake checks that you and your business are operating lawfully. By agreeing to our terms of engagement you accept that we are authorised to complete such checks as necessary.

8.2 Under Money Laundering Regulations it is a criminal offense if we do not report suspicious transactions or if we inform a client that a report has been made against them.

9 Liability

9.1 As Chartered Management Accountants, we have a duty of care to you and we must observe the highest standards of conducts and integrity. Our services to you will only be completed by an accountant fully competent to complete such work. We therefore accept liability to a maximum limit of £100,000 where any loss or damage has arisen as a result of negligence or a material breach of these terms of engagement.

9.2 Where loss or damage occurs as the result of you providing misleading, incomplete or false information no liability will be accepted.

9.3 The advice we give you is not to be used by a third party without written consent. The practise also accepts no legal responsibility from third party use of the financial information provided by us.

10 Complaints and disputes

10.1 We want you to be entirely satisfied with the services provided to you. If, however, you are not, please refer to the Complaints Handling Procedure at Annex 2 of this letter.

10.2 Any disputes arising from our engagement by you will, subject to the procedure at Annex 2, be governed by English Law.

11 Continuity Agreement

11.1 In the event that we become unable to provide the services agreed through incapacity or death, a Continuity Agreement has been made with Mr Rob Lee FCMA, practise name “Accounting Angels Limited”. The purpose of this agreement is to look after your interests by providing a 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.

12 Termination

12.1 You or we may terminate our engagement by giving 30 days written notice. All documents and information provided by you will be returned to you within 10 working days of receipt of the notice provided that all outstanding fees have been paid.

Yours sincerely

Signed on behalf of Davison & Co.



[CIMA MiP]

[Date]

Before any work can be undertaken on your behalf, you are requested to confirm acceptance of these terms of engagement by signing and returning the original of this letter to us at the address provided, please retain a copy for your own records.

I confirm that I have read, understand and agree to the terms and conditions set out above and in the annexes to this letter. I also confirm that I have the authority to act on behalf of

Signed on behalf of

[Date]

[Date]

ANNEX 1 Schedule of Services

This annex is effective from the date of the signatures of the copy of the covering engagement letter. It gives you details of your advised service requirements. Fees are listed below as variable or fixed. If service requirements change, this Annex must be replaced with a new version agreed by you.

Services Offered

Service and Description	Fixed Fee	Variable Fee	Timescale
PAYE services including monthly pay-slips and P32 calculation	Negotiable		monthly
Bookkeeping, VAT working papers and Final Submission	Negotiable		quarterly
Submission to HMRC month end PAYE data and the production of P60's	Negotiable		monthly
Individual director self-assessment tax return	Negotiable		Annually
Preparation and submission to Companies House of Statutory Financial Statements including submission to HMRC via form CT600	Negotiable		Annually
Annual accounts production for sole-trader including submission of self-assessment online tax return	Negotiable		Annually
Letters of reference	£40.00		On request
General accounting and ad-hoc business advice	£100.00		per hour

NB: All charges are subject to VAT at the prevailing rate

Services not offered

Legal services or financial services.

Signed on behalf of Davison & Co.

[CIMA MiP]

[Date]

Signe on behalf of

[Date]

ANNEX 2 Complaints Procedure

1 Purpose

1.1 Davison & Co. are committed to upholding best practise through a high quality service to our clients. This annex sets out the procedure we will operate in dealing with complaints arising from the provision of our services under our letter of engagement.

2 Raising an Issue

2.1 In the first instance please contact Nic Davison, on 07796 156754 or at Nic@DavisonAndCo.com to discuss any concerns you have, so that the matter can be looked into immediately.

3 Making an Informal Complaint

3.1 An informal complaint can be made by telephone, or by speaking, face to face or in writing to Nic Davison (07796 156754, Nic@DavisonAndCo.com). If this matter is not resolved at this stage, and you have not already issued a complaint in writing, you should do so. Please include specific details so that the matter can be thoroughly investigated.

4 Making a Formal Complaint

4.1 Upon receipt of your written formal complaint an acknowledgement will be sent to you with 10 working days. The name and contact details of the person who will be dealing with your case will be supplied to you at this point.

4.2 Within 20 working days of the receipt of your written complaint you will receive in writing a summary of our understanding of your complaint. You will be asked at this time to provide any further evidence or material regarding the complaint and to confirm that we have understood all your concerns.

4.3 Following such confirmation, we will investigate the matter and write to you in reply within 20 working days unless it becomes apparent to us that the investigation may not be completed within this timescale. In these circumstances, a written explanation will be sent to you including a progress report. When a substantive reply is sent to you, a summary of findings will be included along with details of any further actions to be taken.

5 If you are not satisfied

5.1 For service related matters involving a CIMA member in Practise in the UK, you may wish to know that CIMA offers and independent Alternative Dispute Resolution (ADR) facility for members of the public.

5.2 If in the context of your dealings with us or the handling of your complaint, you believe that a member of CIMA has been guilty of misconduct, you may lodge a complaint with the Professional Conduct department of the Institute.

5.3 Further information on ADR or making a complaint about alleged misconduct can be found on CIMA website at www.cimaglobal.com.