

# Albert Goodman Standard Terms of Business

## - All Services Except Payroll

The following standard terms of business apply to all engagements accepted by Albert Goodman LLP or by Albert Goodman Lewis Limited (a wholly owned subsidiary of Albert Goodman LLP). All work carried out is subject to these terms except where changes are expressly agreed in writing.

### 1. Professional obligations

**1.1** Details of the professional registrations for both Albert Goodman LLP and Albert Goodman Lewis Limited can be found at [www.albertgoodman.co.uk](http://www.albertgoodman.co.uk)

**1.2** We will observe and act in accordance with the bye-laws and regulations of the Institute of Chartered Accountants in England and Wales (ICAEW) together with their ethical code and Professional Conduct in Relation to Taxation document. We accept instructions to act for you on this basis. In particular, you give us authority to correct errors made by HM Revenue & Customs (HMRC) where we became aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.

**1.3** In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is Chubb European Group Plc, 100 Leadenhall Street, London, EC3A 3BP. The territorial coverage is worldwide.

### 2. Confidentiality

**2.1** 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 applicable to this engagement.

**2.2** We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality terms.

### 3. Conflicts of interest and independence

**3.1** We reserve the right to act during this engagement for other clients whose interests might compete with yours or are or may be adverse to yours. We will notify you immediately should we become aware of any conflict of interest to which we are subject in relation to you.

**3.2** We have safeguards that can be implemented to protect the interest of different clients if a conflict arises. Where conflicts are identified which cannot be managed in a way that protects your interests then we will discuss with you but we may be unable to provide further services.

### 4. Investment services

**4.1** Although we are not authorised by the Financial Conduct Authority (FCA) to conduct investment business, we are licensed by the ICAEW to provide certain investment services where these are complementary to, or arise out of, the professional services we are providing to you.

**4.2** In particular, we may:

- Advise you on investments generally, but not recommend a particular investment or type of investment;
- Refer you to a Permitted Third Party (PTP) (an independent firm authorised by the FCA), assist you and the PTP during the course of any advice given by that party and comment on, or explain, the advice received (but not make alternative recommendations). The PTP will issue you with their own terms and conditions letter, will be remunerated separately for their services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000;
- Advise you in connection with the disposal of an investment, other than your rights in a pension policy or scheme;
- Advise and assist you in transactions concerning shares or other securities not quoted on a recognised exchange;
- Assist you in making arrangements for transactions in investments in certain circumstances; and
- Manage investments or act as trustee (or donee of a power of attorney) where decisions to invest are taken on the advice of an authorised person.

In some cases the PTP will be Albert Goodman Financial Planning Limited (AGFP) who are authorised and regulated by the FCA to advise you on certain types of investments. AGFP is a separate limited company, controlled by Albert Goodman LLP. We will share your information with AGFP where a referral has taken place or where we consider this is in your best interests.

**4.3** In respect of corporate clients we may also, on the understanding that the shares or other securities of the company are not publicly traded:

- Advise the company, existing or prospective shareholders in relation to exercising rights, taking benefits or share options, valuations and methods of such valuations;
- Arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;
- Arrange for the issue of new shares; and
- Act as the addressee to receive confirmation of acceptance of offer documents etc.

**4.4** In the unlikely event that we cannot meet our liabilities to you, you may be able to claim compensation under the Chartered Accountant's Compensation Scheme in respect of exempt regulated activities undertaken.

**4.5** We are not authorised by the Financial Conduct Authority. However, we are included on the Register maintained by the Financial Conduct Authority so that we can carry on insurance mediation activity, which is broadly the advising on, selling, and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by the ICAEW. The register can be accessed via the Financial Conduct Authority website at [www.fca.org.uk/register](http://www.fca.org.uk/register)

**4.6** We are regulated by the Institute of Chartered Accountants in England and Wales to provide certain credit related services where these are complementary to or arise out of the professional services we are providing to you. Such services may include credit broking and entering into regulated credit agreements as a lender. If during the provision of professional services to you, you need advice beyond what we are permitted to do, we may refer you to someone who is authorised by the Financial Conduct Authority as we are not.

## 5. Cloud Accounting

**5.1** Where the firm provides access to accounting software in the Cloud, or, the firm chooses to use software in the cloud in order to discharge its services to you, this will be provided by a third party (the 'Cloud Supplier'). We have confirmed that the third party complies with the Data Protection Act.

**5.2** The service provided by the Cloud Supplier will be a discrete web based hosted facility, and you agree that access will also be provided to the firm and the third party.

**5.3** The firm cannot be held liable for any interruption of service provided by the Cloud Supplier. However, we will liaise with them to help ensure that normal service is resumed as soon as possible.

## 6. Provision of probate-type services

**6.1** We are not licensed or authorised for the reserved legal activity of non-contentious probate. Consequently, any work we do for you on closely aligned activities, such as estate administration or inheritance tax advice, will

not be covered by the ICAEW Probate Compensation Scheme, this service will not be covered by legal personal privilege and you will not have access to the Legal Ombudsman.

## **7. Commissions or other benefits**

**7.1** It is not our normal practice to accept commissions or other benefits from introductions to other professionals or transactions we arrange for you.

**7.2** In the event that such a commission or benefit should potentially be available to us we undertake to advise you of the amount and terms of payment prior to the introduction or transaction being completed and to agree with you the basis which it will be dealt with and in particular how it will interact with any fees we may charge you for the work we are undertaking.

## **8. Client monies**

**8.1** 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 our own 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.

**8.2** In order to avoid an excessive amount of administration, interest will only be paid to you where the amount of interest that would be earned on the balances held on your behalf in any calendar year exceeds £25. Any such interest would be calculated using the prevailing rate applied by NatWest for small deposits subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.

**8.3** If the total sum of money held on your behalf exceeds £10,000 for a period of more than 30 days, or such sum is likely to be held for more than 30 days, then the money will be placed in a separate interest-bearing client bank account designated to you. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.

**8.4** In the unlikely event of us holding any unclaimed monies we reserve the right to pay such monies to a registered charity in line with the guidelines set out in the Client's Money Regulations referred to above. We will not do this unless we have been unable to contact you for at least five years and we have taken reasonable steps to trace you and return the money.

## **9. Fees**

**9.1** Our fees are computed on the basis of time spent on your affairs by our partners, directors and staff and on the levels of skill and responsibility involved. Disbursements represent travel, accommodation and other expenses incurred in dealing with your affairs. Unless otherwise agreed, we will charge our fees separately for each of the main classes of work completed, and we will bill them at appropriate intervals during the course of the year.

**9.2** If it is necessary to carry out work outside the responsibilities outlined in our engagement letters it will involve additional fees. Accordingly we would like to point out that it is in your interest to ensure that your records etc. are provided to us in the format and standard agreed.

**9.3** Unless covered by a standing order arrangement our fee notes are due for payment 30 days from date of issue.

**9.4** We reserve the right to charge interest on overdue accounts at the current rate under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to terminate our engagement and cease acting if payment of any fees billed is unduly delayed. We accept settlement of fees by certain credit cards.

**9.5** In the event that we cease to act in relation to your affairs you agree to meet all reasonable costs of providing information to new advisers. In particular you agree to meet these costs where we are required by law to provide information to a successor adviser.

**9.6** Insofar as we are permitted to so by law or by 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.

**9.7** In the event that we cease to act in relation to your company's affairs you agree to meet all reasonable costs of providing information to the company's new advisers. In particular you agree to meet these costs where we are required by law to provide information to a successor firm.

## **10. Retention of and access to records**

**10.1** During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following the completion of our work. You should retain these records for at least seven years from the end of the accounting period to which they relate. You should retain them for longer if H M Revenue & Customs enquire into your tax return.

**10.2** Whilst certain documents may legally belong to you, we have ownership of any documents prepared by us in order to carry out our duties as auditor, accountant or tax advisor, including, but not exclusively, draft copies of financial statements, correspondence with third parties and working papers. We intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we consider to be of continuing significance. If you require retention of any document you must notify us of that fact in writing.

## **11. Quality control**

**11.1** As part of our ongoing commitment to providing a quality service, our files are periodically subject to an independent regulatory or quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our partners, directors and staff.

## **12. Help us to give you the right service**

**12.1** Our aim is to provide a high quality service to our clients that is prompt, efficient and pro-active.

**12.2** If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know, by telephoning or writing to the partner or director dealing with your affairs.

**12.3** In order for us to provide you with a high quality service on an ongoing basis it is essential that you provide us with relevant records and information when requested, reply to correspondence in a timely manner and otherwise follow the terms of the agreement between us set out in this Standard Terms of Business and associated Engagement letters. We therefore reserve the right to cancel the engagement between us with immediate effect in the event of:

- Your insolvency, bankruptcy or other arrangement being reached with creditors;
- Failure to pay our fees by the due dates;
- Either party being in breach of their obligations where this is not corrected within 30 days of being asked to do so.

## **13. Complaints Procedure**

**13.1** As set out in Section 10, we aim to provide a high quality service to our clients. If at any time you are dissatisfied with the service you have received please contact the partner or director dealing with your affairs. We undertake to look into any complaint carefully and promptly, to do all we can to explain the position to you and to do everything reasonable to address your concerns.

**13.2** If the individual dealing with your affairs is unable to resolve the matter to your satisfaction please contact our managing partner, Iain McVicar.

**13.3** If the matter still cannot be resolved to your satisfaction you may of course take the matter up with the Institute of Chartered Accountants in England and Wales.

## **14. Applicable law**

**14.1** 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.

**14.2** If any provision in this Standard Terms of Business or any associated engagement letter, or its application, are found to be invalid, illegal or otherwise unenforceable in any respect, the validity, legality or enforceability of any other provisions shall not in any way be affected or impaired.

## 15. Changes in the Law

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

**15.2** We will accept no liability for losses arising from changes in the law or the interpretation thereof that occur after the date on which the advice is given.

## 16. Internet and email communication

**16.1** Unless you instruct us otherwise we may, where appropriate, communicate with you and with third parties via email or by other electronic means. However, internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an email without obtaining written confirmation of it. 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 do not agree to accept this risk, you should notify us in writing that email is not an acceptable means of communication.

**16.2** It is the responsibility of the recipient to carry out a virus check on any attachments received.

## 17. Data Protection

**17.1** In this clause [17], 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 letter of engagement with you;

‘data protection legislation’ means all applicable privacy and data protection legislation and regulations including PECR, the 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;

‘GDPR’ means the General Data Protection Regulation ((EU) 2016/679); and

‘PECR’ means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003).

**17.2** 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.

**17.3** 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 <https://albertgoodman.co.uk/privacy-statement> 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.

**17.4** Should you require any further details regarding our treatment of personal data, please contact our Data Protection Point of Contact.

**17.5** 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 <https://albertgoodman.co.uk/privacy-statement>) contains further details as to how we may process client personal data.

**17.6** 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 European Economic Area (EEA). We will only disclose client personal data to a third party (including a third party outside of the EEA) provided that the transfer is undertaken in compliance with the data protection legislation.

**17.7** 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.

**17.8** 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.

**17.9** 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.

## **18. Contracts (Rights of Third Parties) Act 1999**

**18.1** Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to the Act.

**18.2** The advice that we give to you is for your sole use and is confidential to you and does not constitute advice to any third party to whom you may communicate it. We accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

## **19. The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007**

**19.1** In common with all accountancy and legal practices we are required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 to:

■ Maintain identification procedures for clients and beneficial owners of clients;



- Maintain records of identification evidence and the work undertaken for the client; and
- Report in accordance with the relevant legislation and regulations.

**19.2** Under anti-money laundering legislation we are obliged to confirm the identity of individuals and companies and the beneficial owners of organisations and trusts before accepting new instructions, and to review this from time to time. To avoid the need to request detailed identity information from you, we may use approved external services which review publicly available information on companies and individuals. Our current procedures consist of a search with Experian for the purposes of verifying identity. To do so Experian may check details supplied against any particulars on any database (public or otherwise) to which they have access. They may also use details in the future to assist other companies for verification purposes. A record of the search will be retained and a footprint left on your credit file. This will not have a negative impact on your credit file and will show as an 'identity search'. Should these checks, for any reason, fail adequately to confirm identity and beneficial ownership, we may ask for further identification evidence. If you do not provide satisfactory evidence or information within a reasonable time, we may have to stop acting for you. In that event, you will be charged for any work we have already done.

**19.3** The offence of money laundering is defined by S340(11) of the Proceeds of Crime Act and includes concealing, converting, using or possessing the benefits of any activity that constitutes a criminal offence in the UK. It also includes involvement in any arrangement that facilitates the acquisition, retention, use or control of such a benefit.

**19.4** We are obliged by law to report any instances of money laundering to NCA without your knowledge or consent. In consequence, none of our partners, directors or staff may enter into any correspondence or discussions with you regarding such matters.

**19.5** We are not required to undertake work for the sole purpose of identifying suspicions of money laundering. We shall fulfil our obligations under the Proceeds of Crime Act 2002 in accordance with the guidance published by the Consultative Committee of Accountancy Bodies.

## **20. Foreign Account Tax Compliance Act (FATCA) and common reporting standards**

**20.1** Unless agreed specifically in a separate engagement letter, we are not responsible for your compliance with the International Tax Compliance (United States of America) Regulations 2013, produced as a result of FATCA. In particular, we are not responsible for the categorisation of any UK entity into either a Financial Institution (FI) or an active or passive Non-Financial Foreign Entity (NFFE) nor, if a Financial Institution, for its registration with the US Internal Revenue Service (IRS) and subsequent submission of the required annual returns to HM Revenue & Customs.

**20.2** However, if requested to do so we can provide advice on the completion of the forms supplied by Financial Institutions under these Regulations, or under Common Reporting Standards, and used by them to determine the status of the entity. We can also provide advice on setting up the appropriate systems to identify and report on your clients or beneficiaries who are foreign citizens affected by FATCA or Common Reporting Standards.

## **21. General limitation of liability**

**21.1** Unless there is an explicit agreement in writing to the contrary, the advice that we give to you is for your sole use and does not constitute advice to any third party to whom you communicate it.

**21.2** We will provide our professional services with reasonable care and skill and in accordance with applicable professional standards. We will re-perform any work that is not in compliance with this undertaking if it is brought to our attention within a reasonable time of work being performed. However, we will not be held responsible for any losses, penalties, surcharges, interest or additional tax liabilities arising from the supply by you or others of incorrect or incomplete information, or your or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or other relevant authorities.

**21.3** You will not hold us, our partners, directors or staff, responsible to the fullest extent permitted by law, for any loss suffered by you arising from any misrepresentation, whether intentional or unintentional, supplied to us orally or in writing in connection with this agreement. You have agreed that you will not bring any claim in connection with services we provide to you against any of our partners, directors or staff on a personal basis.

**21.4** Our work is not, unless there is a legal or regulatory requirement, to be made available to third parties without our written permission and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

## **22. Use of our name in statements or documents issued by you**

**22.1** You are not permitted to use our name in any statement or document that you may issue unless our prior written consent has been obtained. The only exception to this restriction would be statements or documents that in accordance with applicable law are to be made public.

## **23. Internal disputes within a client**

**23.1** If we become aware of a dispute between the parties who own the business, or who are in some way involved in its ownership and management, it should be noted that our client is the business (unless we have agreed otherwise) and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all the parties, we will continue to supply information to the registered office for the attention of the directors. If conflicting advice, information or instructions are received from different directors in the business, we will refer the matter back to the board of directors and take no further action until the board has agreed the action to be taken. In certain cases we reserve the right to cease acting for the business entirely.

## **24. Draft / interim work or oral advice**

**24.1** In the course of providing services to you we may provide advice or reports or other work products in draft or interim form, or orally. However, final written work products will always prevail over any draft, interim or oral statements. Where you request it, we will provide you with written confirmation of matters stated orally.

## **25. Interpretation**

**25.1** If any provision of our engagement letter or terms of business is held to be void for whatever reason, then that provision will be deemed not to form part of this contract, and no other provisions will be affected or impaired in any way. In the event of any conflict between these terms of business and the engagement letter, the relevant provision in the engagement letter will take precedence.

## **26. PraxityTM**

**26.1** We are an independent accounting firm allowed to use the name PraxityTM in relation to our practice. We are not connected by ownership with any other firm using the name Praxity and we will be solely responsible for all work carried out by us on your behalf. In deciding to instruct us you acknowledge that we have not represented to you that any other firm using the name Praxity will in any way be responsible for the work that we do.

## **27. DISENGAGEMENT**

**27.1** If we resign or are asked to resign, we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.