

KFS Accountants Limited

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the standard terms and conditions.

LIMITED COMPANIES Preparation of unaudited statutory financial statements in compliance with the Companies Act 2006.

Your responsibilities as directors

1. As directors of the company, you are responsible for preparing financial statements which give a true and fair view and which have been prepared in accordance with the Companies Act 2006 (the Act). As directors, you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company.
2. In preparing the financial statements, you are required to:
 - (a) select suitable accounting policies and then apply them consistently;
 - (b) make judgements and estimates that are reasonable and prudent; and
 - (c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
3. You are responsible for keeping adequate accounting records that set out with reasonable accuracy at any time the company's financial position, and for ensuring that the financial statements comply with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UKGAAP)) and with the Companies Act 2006 and give a true and fair view.
4. You are also responsible for safeguarding the assets of the company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.
5. You are also responsible for deciding whether, in each financial year, the [company/limited liability partnership] meets the conditions for exemption from an audit, as set out in section 477 or 480 of the Companies Act 2006, and for deciding whether the exemption cannot be claimed that year.
6. You are responsible for ensuring that the company complies with laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.
7. You have undertaken to make available to us, as and when required, all the company's accounting records and related financial information, including minutes of management and shareholder's meetings, that we need to do our work.
8. If financial information is published, which includes a report by us or is otherwise connected to us, on the company's website or by other electronic means, you must inform us of the electronic publication and get our consent before it occurs and ensure that it presents the financial information properly. We have the right to withhold consent to the electronic publication of the financial statements if they are to be published in an inappropriate manner.

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9. You must set up controls to prevent or detect quickly any changes to electronically published information. We are not responsible for reviewing these controls nor for keeping the information under review after it is first published. You are responsible for the maintenance and integrity of electronically published information, and we accept no responsibility for changes made to any information after it is first posted.
10. To provide us with information in sufficient time for your Annual Accounts to be completed and submitted by the due date following the end of the tax year. In order that we can do this, we need to receive all relevant information at the latest, four months after your financial year end. Where feasible we may agree to complete your accounts within a shorter period but may charge additional fees. Fees are noted in our Terms of Business.

Our responsibilities as accountants

11. You have asked us to help you prepare the financial statements in accordance with the requirements of the Companies Act 2006, to enable profits to be calculated to meet the requirements of current tax legislation and that provide sufficient and relevant information to complete a tax return. We will compile the financial statements for your approval based on the accounting records that you maintain and the information and explanations that you give us.
12. We shall plan our work on the basis that no report on the financial statements is required by statute or regulation for the year, unless you inform us in writing to the contrary. We will make enquiries of management and undertake any procedures that we judge appropriate but are under no obligation to perform procedures that may be required for assurance engagements such as audits or reviews.
13. You have told us that the company is exempt from an audit of the financial statements. We will not check whether this is the case. However, if we find that the company is not entitled to the exemption, we will inform you of this.
14. Our work will not be an audit of the financial statements in accordance with International Standards of Auditing (UK and Ireland). So, we will not be able to provide any assurance that the accounting records or the financial statements are free from material misstatement, whether caused by fraud, other irregularities or error nor to identify weaknesses in internal controls.
15. Since we will not carry out an audit, nor confirm in any way the accuracy or reasonableness of the accounting records, we cannot provide any assurance whether the financial statements that we prepare from those records will present a true and fair view.
16. We will advise you on whether your records are adequate for preparation of the financial statements and recommend improvements.
17. We have a professional duty to compile financial statements that conform with generally accepted accounting principles from the accounting records and information and explanations given to us. The accounting policies on which the financial statements have been compiled will be disclosed in an accounting policy. We will not compile financial statements where the accounting principles, or the accounting policies selected by management are inappropriate.

18. We also have a professional responsibility not to allow our name to be associated with financial statements which we believe may be misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the financial statements may be misleading, we will discuss the matter with you with a view to agreeing appropriate adjustments and/or disclosures in the financial statements. In circumstances where adjustments and/or disclosures that we consider appropriate are not made or where we are not provided with appropriate information, and as a result we consider that the financial statements are misleading, we will withdraw from the engagement.
19. As part of our normal procedures we may ask you to confirm in writing any information or explanations given to us orally during our work.
20. We will report to the Board of Directors, as appropriate, that in accordance with this engagement letter and to assist you to fulfil your responsibilities, we have not carried out an audit but have compiled the financial statements from the accounting records and from the information and explanations supplied to us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, for our work or for this report

LIMITED COMPANIES Preparation of Corporation Tax Computations

Recurring compliance work

1. We will prepare the company's corporate tax (CT) return. After obtaining the approval and signature of an authorised Nominated Director, we will submit it to HM Revenue & Customs (HMRC).
2. We will prepare the corporation tax computation and supporting schedules required for preparation of the company tax return from accounts, information and explanations provided to us on your behalf.
3. We will use appropriate software to apply iXBRL tags to items in the accounts and tax computation as we consider appropriate for the purposes of submission of the accounts and tax computation to HMRC.
4. We will, to the extent we consider necessary, manually amend or apply iXBRL tags where the software has not applied automatic tagging or where we consider any automatic tagging to have been inappropriate.
5. We will not accept liability for any financial penalty or loss or other damage arising from any rejection of the iXBRL accounts by HMRC or otherwise as a result of incorrect or inappropriate tagging.
6. We will tell you how much tax the company should pay and when. If appropriate, we will initiate repayment claims when tax has been overpaid. We will advise on the interest and penalty implications if corporation tax is paid late.
7. We will inform you if instalment payments of corporation tax are due for an accounting period and the dates they are payable. We will calculate the quarterly instalments which should be made on the basis of information supplied by you by the date agreed.
8. We will advise you as to possible tax return related claims and elections arising from information supplied by you. Where instructed by you we will make such claims and elections in the form and manner required by HMRC.

Ad hoc and advisory work

9. Where you have instructed us to do so, we will provide such other taxation advisory and ad hoc services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:

- (a) Advising you when corporation tax is due on loans by the company to directors or shareholders or their associates, and calculating the payments due or the amount repayable when the loans are repaid.
- (b) Dealing with any enquiry opened into the company tax return by HMRC.
- (c) Preparing any amended returns which may be required and corresponding with HMRC as necessary.

10. Where specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists.

Changes in the law

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

12. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

Your responsibilities

13. The Directors, on behalf of the company, are legally responsible for:

- (a) Ensuring that the CT return (including tagging) is correct and complete.
- (b) Filing any returns by the due date.
- (c) Making payment of tax on time.

Failure to do this may lead to automatic penalties, surcharge and/or interest.

The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that returns we have prepared for the company are complete before he/she approves and signs them.

14. To enable us to carry out our work the Directors agree:

- (a) In the event that we do not draw them up, to provide us with approved accounts prepared by you or by others in an iXBRL format. In either circumstance, you accept full responsibility for the existence, accuracy, consistency and completeness of iXBRL tagging within the accounts. We will not carry out any procedures to check the existence, accuracy, consistency and completeness of iXBRL tagging of accounts provided to us by you or others.
- (b) That all returns are made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions.
- (c) To provide all information necessary for dealing with the company's affairs: we will rely on the information being true, correct and complete and will not audit the information or those documents.
- (d) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with the company's taxation affairs.

- (e) To provide us with information in sufficient time for the company's CT return to be completed and submitted by the due date of enter date following the end of the tax year. In order that we can do this, we need to receive all relevant information by the fourth month after your financial year end.
 - (f) To provide information on matters affecting the company's tax liability for the accounting period in respect of which instalments are due at least four weeks before the due date of each instalment. This information should include details of trading profits and other taxable activities up to the date the information is provided, together with estimates to the end of the accounting period; and
 - (g) To provide us with information on advances or loans made to directors, shareholders or their associates during an accounting period and any repayments made or write offs authorised at the latest within three months of the end of the relevant accounting period.
15. The Directors will keep us informed of material changes in circumstances that could affect the tax liabilities of the company. If the Directors are unsure whether the change is material or not please let us know so that we can assess the significance.
16. You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC by you in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when form 64-8 has been signed and submitted it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you.
17. The work carried out within this engagement will be in respect of the company's tax affairs. Any work to be carried out for the directors on a personal basis will be set out in a separate letter of engagement.
18. You are responsible for monitoring the company's monthly and rolling annual turnover to establish whether it is liable to register for VAT if it is not already registered. If you do not understand what you need to do, please ask us. If the rolling annual turnover exceeds the VAT registration threshold, and you wish us to assist in notifying HMRC of its liability to be VAT registered we will be pleased to assist in the VAT registration process. You should notify us of your instructions to assist in the VAT registration in good time to enable a VAT registration form to be submitted within the time limit of one month following the month in which the VAT registration threshold in force at that time was exceeded. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.
19. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 20 of our standard terms and conditions. These are important provisions that you should read and consider carefully.

VAT RETURNS

Recurring compliance work

1. We prepare your scheduled VAT returns, on the basis of the information and explanations supplied by you. The first such return to be prepared by us will be the return for the period ending no less than one month from date of signing our engagement letter.
Unless otherwise agreed under separate cover your VAT filing will not include the following:
Intrastat returns, EC Sales lists, EU VAT MOSS.
Capital Goods Scheme Adjustments
2. Based on the information that you provide to us, we will tell you how much you should pay and when. If appropriate we will initiate repayment claims where tax has been overpaid. We will advise on the interest and penalty implications if VAT is paid late.
- 3.
4. We will forward to you the completed return calculations for you to review, before you approve the VAT return for onward transmission by us to HMRC.

Ad hoc and advisory work

5. Where you have instructed us to do so, we will also provide such other ad hoc taxation and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:
 - Reviewing and advising a suitable partial exemption method to use in preparing the return;
 - Dealing with all communications relating to your VAT returns Intrastat returns/EC Sales List/EU VAT MOSS returns addressed to us by HMRC or passed to us by you.
 - Making recommendations to you about the use of cash accounting, annual accounting, flat rate and other suitable methods of accounting for VAT.
 - Providing you with advice on VAT Excise Duty/Customs Duty/Landfill Tax/Insurance Premium Tax/Aggregates Levy/Climate Change Levy as and when requested. Where the advice is provided in writing, the information provided and the query raised will be set out with our response to you.
6. Where specialist advice is required on occasions, we may need to seek this from or refer you to appropriate specialists.

Changes in the law

7. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.
8. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

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Your responsibilities

9. You are legally responsible for:

- (a) Ensuring that your VAT returns are correct and complete.
- (b) Filing any returns by the due date.
- (c) Making payment of VAT on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that returns we have prepared for you are complete before they approve and sign them.

10. To enable us to carry out our work you agree:

- (a) That all returns are to be made on the basis of full disclosure.
- (b) That you are responsible for ensuring that the information provided is, to the best of your knowledge, accurate and complete. The VAT returns are prepared solely on the basis of the information provided by you and we accept no responsibility for any VAT liabilities arising due to inaccuracies or omissions in the information you provide which may lead to a misdeclaration on which penalties and interest may arise.
- (c) That we can approach such third parties as may be appropriate for information we consider necessary to deal with the VAT returns.
- (d) To provide us with all the records relevant to the preparation of your scheduled VAT returns as soon as possible after the return period ends. We would ordinarily need a minimum of 14 days before submission to complete our work. If the records are provided later or are incomplete or unclear thereby delaying the preparation and submission of the VAT return, we accept no responsibility for any "default surcharge" penalty that may arise. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee of £150.00 for so doing.

11. You will keep us informed of material changes in circumstances that could affect your VAT obligations. If you are unsure whether the change is material or not please let us know so that we can assess its significance.

12. You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when form 64-8 has been signed and submitted it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you.

13. You are responsible for bringing to our attention any errors, omissions or inaccuracies in your VAT returns which you become aware of after the returns have been submitted, in order that we may assist you to make a voluntary disclosure.

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14. If you are involved with any other business that is not registered for VAT, you are responsible for monitoring your monthly turnover to establish whether you are liable to register for VAT. If you do not understand what you need to do, please ask us. If you exceed the VAT registration threshold, and wish us to assist you in notifying HMRC of your liability to be VAT registered, you must give us clear instructions to assist you in the VAT registration process. You should notify us of your instructions in good time to enable the VAT registration application form to be submitted within the statutory time limit of one month following the month in which you exceeded the VAT registration threshold in force at that time. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.

If under our advisory work we have agreed to do the following:

15. EC Sales Lists need to be completed you are responsible for obtaining all of your customers' VAT registration numbers in other member states and to check any with HMRC that you are not completely satisfied with.

16. EU VAT MOSS is to be completed, you are responsible for determining which sales relate to customers in what EU countries and the rate of VAT applicable to that sale. We suggest that in the first instance of preparing an EU VAT MOSS return, we assist with how these are to be identified such that due process to manage this can be implemented.

17. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 17 of our standard terms and conditions of business. These are important provisions that you should read and consider carefully.

PAYROLL SERVICES AND WORKPLACE PENSIONS ADMINISTRATION

Initial compliance work-existing employers joining RTI

1. We will:

- Submit the first Full Payment Submission (FPS) and the Employer Payment Summary (EPS) as necessary online to HMRC after the data to be included therein has been approved by you. Note the first FPS must reach HMRC normally on or before the payday for the first payroll run after you are required to make submissions under RTI.

2. **Recurring compliance work**

We will prepare your UK payroll for each payroll period to meet UK employment tax requirements, specifically:

- Calculating the pay as you earn (PAYE) deductions.
- Calculating the employees' National Insurance Contributions (NIC) deductions.
- Calculating the employer's NIC liabilities.
- Calculating statutory payments, for example, Statutory Sick Pay and/or Statutory Maternity Pay.

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- Calculating other statutory and non-statutory deductions.
 - Calculating any employee pension contribution refunds, based on the information you supply to us regarding opt-out notices that you have obtained from the pension scheme.
 - Calculating any employee pension contribution refunds, based on the information you supply to us regarding opt-out notices that we receive directly from the scheme via delegated access as your agency.
 - Submitting information online to HMRC under RTI for PAYE
 - A workplace pension contributions report (a '**contributions report**') showing:
 - (a) Any employee and employer pension contributions payable for each employee to the respective workplace pension scheme(s) of which they are members and the due date(s) for payment where applicable, splitting out any retained by you during the opt-out period.
 - (b) Any employee pension contribution refunds payable to any employee.
 - (c) Any employer pension contribution refunds due to you for any employee who has ceased membership of the scheme(s) and whether any such refund is due from the scheme or whether you had retained the relevant contributions during the opt-out period.
3. We will prepare and send to you the following documents for each payroll period at or before the time of payment:
- Payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals.
 - The data included within each Full Payment Submission (FPS) for taxable pay and pay-rolled benefits for each employee
 - A payslip for each employee unless not required
 - An Employee Leaving Statement (P45) for each leaver.
 - A report showing your PAYE liability, NIC liability and due date for payment.
4. We will submit FPSs online to HMRC after the data to be included therein has been approved by you. (FPSs must reach HMRC normally on or before payday.)
5. At the end of the payroll year we will:
- Prepare the final FPS (or EPS) including employer annual declarations and submit this to HMRC after the data to be included therein has been approved by you. (The final FPS (or EPS) for the year must reach HMRC by 5 April following the end of the tax year. Corrections must be made by 19 April)
 - Prepare and send to you by the statutory due date Form P60 for each employee on the payroll at the year end.
6. We will deal with any online secure messages sent to us by HMRC in respect of your payroll; and
7. We will submit National Insurance Number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

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Workplace and pensions administration services

8. We will provide the payroll-associated workplace pensions administration services set out in the Appendix to this schedule. There are additional fees for managing the pensions administration that will not be included in your engagement letter. Please speak to a member of staff for a quote before requesting these services.

Ad hoc and advisory work

9. We will also provide such other taxation ad hoc and advisory services as may be agreed from time to time. These may be the subject of a separate engagement letter, at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:
- dealing with any enquiry opened into the payroll returns by HMRC
 - preparing any amended returns for periods before you report in real time which may be required and corresponding with HMRC as necessary
 - preparing and submitting correcting EPSs for earlier years
 - preparing and submitting an Earlier Year Update (EYU) to correct, after 19 April, any of the year to date totals submitted in your end of year FPS for a previous tax year, in respect of years after you started to send information in real time
 - Where specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists

Changes in the law

10. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.
11. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

Your responsibilities

12. You are legally responsible for:
- (d) Ensuring that your payroll returns are correct and complete.
 - (e) Making any submissions by the due date; and
 - (f) Making payment of tax and NIC on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

Signatories to returns cannot delegate this legal responsibility to others. You agree to check that returns that we have prepared for you are complete before you approve and sign them.

13. To enable us to carry out our work you agree:
- (e) That all returns are to be made on the basis of full disclosure.

- (f) To provide full information necessary for dealing with your payroll affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents.
- (g) To agree with us the names of the persons authorised by you to notify us of changes in employees and in rates of pay. We will process the changes only if notified by those individuals.
- (h) To advise us in writing of changes of payroll pay dates.
- (i) To notify us at least 5 working days prior to the payroll date of all transactions or events which may need to be reflected in the payroll for the period, including details of:
- all new employees (including full names, address, date of birth, national insurance number, passport number) and details of their remuneration packages
 - all leavers (including deaths of employees) and details of termination arrangements
 - all changes to remuneration packages
 - all pension scheme changes
 - any changes to the employees' bank accounts
 - irregular and/or ad hoc payments and the dates to be paid.
- (j) To approve:
- EAS, if required by HMRC, at least 5 working days before the due date as agreed with HMRC
 - in-year FPS by at least 5 working days prior to payroll pay dates so that they can be submitted on or before payday, or as agreed with us
 - in-year EPS by at least 5 days prior to 19th of the month following the tax month
 - final FPS (or EPS when applicable) for the year at least 5 days prior to 19 April following the end of the tax year
 - EYU within 5 days; and
- (k) You will keep us informed of changes in circumstances that could affect the payroll. If you are unsure whether the change is material or not please let us know so that we can assess its significance.
- (l) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.
14. If the information required to complete the payroll services and workplace pension administration as set out above is received less than 5 days before the payroll date, we will still endeavour to process the payroll to meet the agreed payroll date but we will not be liable for any costs or other losses arising if the payroll is late in these circumstances. We may charge an additional fee of £5.00 + VAT per payslip for work carried out in a shorter time period.
15. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions of business. These are important provisions that you should read and consider carefully.
16. To enable us to carry out our work you agree:
- (a) To notify us within 10 working days of your receiving any workplace pension scheme joining or opt-in notices, including the date you received the notice and the full names, addresses,

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gender, date of birth, national insurance number (NINO), unique email address and if different from any standard rules agreed at set-up under (F.2 of the Appendix):

- their pensionable pay
 - the relevant employer and employee contribution rates
 - the relevant pension scheme
 - how tax relief is operated, ie, relief at source or net pay; and
 - whether their pension contributions will be made via salary sacrifice.
- (b) To notify us within 10 working days of your receiving or becoming aware of any opt-out notices or any other requests to cease membership of a scheme, so that we can cease to calculate their pension contributions.
- (c) In accordance with the requirements of the Data Protection Act, you will be responsible for ensuring that each employee has given any required consents for their data to be processed for the purpose of auto enrolment and shared with the relevant pension scheme and TPR.

APPENDIX

Workplace pensions administration services

A. Nature of services

- A.1 You have instructed us to provide you with payroll services and associated workplace pension administration. Any advice or assistance we provide to you on pension scheme selection will be provided to you in your capacity as an employer rather than to you personally as an individual and, as such, will not constitute regulated investment business advice.
- A.2 We are only able to assist you with providing an auto-enrolment service in relation to individuals handled by us in our capacity as your payroll agent. Your auto-enrolment obligations to workers who are engaged to provide services to you in a personal capacity are outside the scope of this agreement.

B. Initial set-up for workplace pension arrangements and payrolling of employer-provided benefits-in-kind

- B.1 Workplace pensions: This services schedule assumes that you already have a staff workplace pension scheme and that you are using contractual enrolment for your staff.

C. Staging date

- C.1 We will assist you in determining your 'staging date' for auto-enrolment, based on the information you provide to us.
- C.2 If you are considering bringing forward your staging date, you will inform us of your intention in advance so that we can discuss with you any implications for the services that we provide to you and agree how any proposed change in your staging date can be accommodated.

D. Preliminary assessment of staff

- D.1 You agree to carry out a preliminary assessment of your employees to determine what duties you will have in relation to each of your employees and to help you plan how to comply with your duties; and to inform us of the results of this assessment nine months before your staging date, or within one month of us entering into this schedule of services if that is later.

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E. Exemption from auto-enrolment

E.1 You are responsible for determining whether you are exempt from employer auto-enrolment duties and, if necessary, for registering as exempt with the Pensions Regulator (TPR). You agree that, if your circumstances change so that automatic enrolment duties apply to you (for example, if you take on a member of staff other than a director), you will inform us as your payroll agent as soon as is practicable and at least before the beginning of the first payroll period in which they will be paid so that we can agree with you what auto-enrolment services you would like us to perform. You agree that you will also be responsible for informing TPR of your change of status.

F. Pension scheme selection and set-up [GN8]

F.1 Unless you are exempt from auto-enrolment duties (see clause [E.1 above]), within one month of us entering into this schedule of services or six months before your staging date if that is later, we will discuss with you the workplace pension scheme provider(s) you are considering using so that we can discuss any practical implications with you.

F.2 You will inform us in writing of:

- (a) your selected workplace pension scheme provider(s),
- (b) how contribution payments will be made to the pension scheme provider(s), and whether the pension provider will permit your employees to reduce their contributions to below the statutory minimum level,
- (c) whether initial contributions during the opt-out period will be retained by you or will be paid over to the pension scheme(s); and
- (d) the method of tax relief that you will use (ie, relief at source or net pay arrangement)

We will agree with you in writing:

- (e) whether you will set up salary sacrifice arrangements for some categories of your employees,
- (f) whether any categories of your employees who are paid weekly will change to being paid monthly,
- (g) whether to use calendar-based or tax-period-based pay reference periods for your employees,
- (h) any postponement periods at staging for your employees,
- (i) any ongoing general default rules regarding postponement periods that you wish to set up,
- (j) whether you wish to exclude any particular elements of salary and wages from qualifying earnings,
- (k) the definition of pensionable pay on which contributions will be calculated for your employees,
- (l) if this is not the same as qualifying earnings, whether you wish us to advise you on whether to certify and/or assist you in certifying that your employer contributions meet at least the statutory minimum for those employees; if you do, we will discuss the further work required of us,

- (m) your employer and employee contributions rates including, before 6 April 2018 and 2019, whether these are to be phased in,
- (n) what additional services we shall provide (eg, providing statutory communications for your staff, either to you or directly to them) and what information we will require from you in order to do so (eg, staff contact information),
- (o) whether we as your agent shall set up the scheme for you, including any direct debits, and have ongoing delegated access so that we can send and receive relevant information directly to and from the scheme,
- (p) if you set up the scheme, whether you will nominate us as your agent with delegated access so that we can send and receive relevant information directly to and from the scheme, such as joining information regarding new or newly-eligible employees, and opt-out and refund information,
- (q) whether we need you to provide us with any additional data not already held within our systems for us to generate reports in a format accepted by the scheme provider(s),
- (r) if you are to obtain any additional services from the scheme provider(s) that would require input or data from us as your payroll agent, the format and timescale in which we shall provide such data and whether this is to be provided to you or directly to the scheme provider(s); and
- (s) the extent to which we shall be responsible for maintaining and preserving any of the records required to demonstrate your compliance with your auto-enrolment duties, and the extent to which you or your pension scheme provider(s) will be responsible for maintaining and preserving any such records.

F.3 Within six weeks of our entering into this schedule of services, or five months before your staging date if that is later:

- (a) if you have agreed at clause [F.2(q)] above to do so, you will provide us with any additional data not already held within our systems to enable us to generate reports in a format accepted by the scheme provider(s),
- (b) if we have agreed at clauses [F.2 (o), (p) or (r)] above to do so, we will provide the information required to set up the scheme directly to the scheme provider(s), or to you for onward transmission to the scheme provider(s); and
- (c) in accordance with what we have agreed at clauses [F.2(b) and (o)] above, you or we will set up appropriate payment arrangements

G. Employee assessment and monitoring for auto-enrolment

- G.1 We will assess the ages and earnings of your employees to categorise them as entitled workers, non-eligible jobholders or eligible jobholders; and otherwise determine the auto-enrolment duties you owe them, based on the information we hold as your payroll agent, plus any additional information provided by you.
- G.2 For any employees that we assess as being a jobholder following an opt-in or joining notice, we will inform you of their enrolment date.
- G.3 You will provide us with complete and accurate information regarding your employees, including ordinary working location, pension tax protection status and any changes in

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employee working, including starting a notice period, so that we can determine whether their employment status has changed in relation to auto-enrolment.

- G.4 You will review our assessments of your employees and accept responsibility for the completeness and accuracy of the assessments.

H. Enrolling employees, initiating contributions and providing information to the pension scheme(s)

- H.1 We will inform you when the staff assessments that we carry out under clause [G.1] above indicate that you are required to enrol employees into a pension scheme(s); and we will notify our payroll department when to start processing any required employee and employer pension contributions.

- H.2 In accordance with what we have agreed at clauses [F.2(o),(p) or (r)] above:

- (a) we will provide the information relating to such employees that is required to be provided to the scheme in order for them to join the scheme, either directly to the scheme provider(s) within six weeks of their enrolment date, or to you within four weeks of their enrolment date, for your onward transmission to the scheme provider(s), and
- (b) if any new payment arrangements are required (ie, if not covered by the payment arrangements set up initially under clause [F.3(c)] above), you or we will set them up in accordance with what we have agreed at clauses [F.2(b) and F.2(o)] above.

I. Writing to your employees

- I.1 You are required to write to your employees providing them with required statutory information, including providing them with postponement information if you are using a postponement period.
- I.2 We will assist you by providing you with letters for each of your eligible jobholders and for your other employees, based on the staff assessments that we carry out under clause [G.1] above, for you to distribute to your employees within the timeframes identified at clause [H.2] above.]

J. Other arrangements necessary for enrolling your staff and for determining opt-out periods

- J.1 You are required to make arrangements to achieve active membership for your employees, effective from their enrolment date.
- J.2 If your chosen scheme is a personal pension scheme, in order to achieve active membership for your employees, there must be certain types of agreement in place between you, the employee and the personal pension scheme provider.
- J.3 You are responsible for finding out from the pension scheme the date on which active membership is achieved for each employee.

K. Processing opt-out requests and refunds, requests to cease membership or for reduced employee contributions

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- K.1 We will assist you with processing other employee requests to cease membership of a scheme, including any opt-out notices given after the end of the opt-out period, by:
- (a) notifying the pension scheme,
 - (b) assisting you with whatever action is required under the scheme rules for ceasing the employee's active membership,
 - (c) notifying our payroll department to cease deducting that employee's contributions; and
 - (d) helping you determine whether any refunds are payable.
- K.2 We will assist you with processing any employee requests to pay reduced employee contributions that are below the statutory minimum level (if permitted - see clause [F.2(b)] above), by:
- (a) notifying the pension scheme,
 - (b) assisting you with whatever action is required under the scheme rules for reduced contributions to be payable; and
 - (c) notifying our payroll department to adjust the relevant contributions.

L. Declaration of compliance

- L.1 You are responsible for preparing and submitting your declaration of compliance to TPR and we will provide you with any information that we hold as your payroll agent that you request us to provide for you to complete the declaration.

N. Triennial re-enrolment

- N.1 You are required to select a re-enrolment date, which must be within a six-month period starting three months before the third anniversary of your original staging date. [GN39]
- N.2 You agree to advise us in writing of your selected triennial re-enrolment date within 30 months of your staging date or of your most recent triennial re-enrolment date.
- N.3 You are responsible for preparing and submitting your declaration of compliance to TPR.

O. Maintaining records – see also clause F.2(s) above

- O.1 You are required to keep certain records of your automatic enrolment activities and, to the extent we have agreed in writing to maintain records under clause [F.2(s)] above, you hereby authorise us to retain the following records on your behalf:
- (a) the names, NINOs, date of birth, addresses and (where relevant) the automatic enrolment date for each of your staff, if postponement notices were sent to staff, the date of any such postponement notices and to whom they were sent,
 - (b) gross qualifying earnings for each employee for each pay period,
 - (c) details of contributions and when they were paid to the scheme,
 - (d) staff opt-in notices and joining notices and the enrolment date for relevant staff,
 - (e) pension scheme reference or registry numbers,
 - (f) name and address of pension scheme,

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- (g) if we have assisted you in certifying the scheme (see clauses F.2(l) and L.1 above), the certificate and any data and/or evidence relating to it; and
- (h) opt-out notices.

O.2 We shall be authorised to retain the records listed in (a)-(f) above for six years; the records in (g) above for a period of six years after the end of the certification period; and in (h) above for four years.

BENEFITS-IN-KIND RETURNS (P11D and P9D and declaration P11D(b)) and Class 1 A National Insurance Contributions

Recurring compliance work

1. We will prepare forms P11D and P9D as may be required for each employee including directors based on the accounts, information and explanations provided to us on your behalf.
2. We will submit the forms P11D and P9D with the form P11D(b) after the form P11D(b) has been signed by you.
3. We will prepare and send to you the P11D information for you to forward to your employees and directors by the statutory due date.
4. We will calculate your Class 1A NIC liability on the benefits returned in forms P11D that you are obliged to pay HMRC by the due date and send payment instructions to you.

Ad hoc and advisory work

5. Where you have instructed us to do so, we will also provide such other taxation ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:
 - (a) dealing with any straightforward enquiry opened into the benefits-in-kind returns by HMRC. More detailed enquiries may be the subject of a separate engagement
 - (b) preparing any amended returns which may be required and corresponding with HMRC as necessary
 - (c) advising on Dispositions and PAYE Settlement Agreements; and
 - (d) conducting PAYE and benefits health checks.
6. Where specialist advice is required, on occasions we may need to seek this from or refer you to appropriate specialists.

Changes in the law

7. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or practice or in public policy or your circumstances.
8. We will accept no liability for losses arising from changes in the law (or the interpretation thereof) or practice or in public policy that are first published after the date on which the advice is given

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Your responsibilities

9. You are legally responsible for:
 - (a) ensuring that your declaration on form P11D(b) is true to the best of your knowledge and belief and therefore that the entries on the related forms P11D and P9D are correct and complete
 - (b) filing any returns by the due date after the end of the tax year; and
 - (c) making payment of Class 1A NIC on time.

Failure to do this may lead to penalties and/or interest.
10. The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that the forms that we have prepared for you are complete before he approves and signs them.
11. To enable us to carry out our work you agree:
 - (a) that all returns are to be made on the basis of full disclosure
 - (b) to provide full information necessary for dealing with your benefits-in-kind returns: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents
 - (c) to notify us within 30 working days after the end of the tax year of all transactions or events which may need to be reflected in the forms P11D and P9D for the period, including details of all employees during the year and details of their remuneration packages; and
 - (d) to authorise us to approach such third parties as may be appropriate that we consider necessary to deal with completing the benefits-in-kind returns.
12. If the information required to complete the benefits-in-kind returns set out above is received more than 30 days after the end of the tax year we will still endeavour to process the information onto the benefits-in-kind returns to meet the submission date but we will not be liable for any costs or other losses arising if submission is late in these circumstances. We may charge an additional fee of £35.00 + VAT per P11D in such circumstances.
13. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions of business. These are important provisions that you should read and consider carefully.

PERSONAL TAX – INDIVIDUALS & SOLE TRADERS

Recurring compliance work

1. We will prepare your self-assessment tax returns together with any supplementary pages required from the information and explanations that you provide to us. After obtaining your approval and signature, we will submit your returns to HM Revenue & Customs (HMRC).

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2. We will prepare your business accounts in accordance with generally accepted accounting practice from the books, accounting records and other information and explanations provided to us on your behalf.
3. We will calculate your income tax, national insurance contributions (NIC) and any capital gains tax liabilities and tell you how much you should pay and when. We will advise on the interest, penalty and surcharge implications if tax or NIC is paid late. We will also check HMRC's calculation of your tax and NIC liabilities and initiate repayment claims if tax or NIC has been overpaid.
4. Other than as regards tax credits (see below) we will advise you as to possible tax return related claims and elections arising from information supplied by you. Where instructed by you, we will make such claims and elections in the form and manner required by HMRC.
5. We will review PAYE notices of coding provided to us and advise accordingly.

Ad hoc and advisory work

6. Where you have instructed us to do so, we will also provide such other ad hoc taxation and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:
 - Advising on ad hoc transactions, preparing additional supplementary pages to your tax return and calculating any related liabilities.
 - Dealing with any enquiry opened into your tax return by HMRC.
 - Preparing any amended returns which may be required and corresponding with HMRC as necessary.
 - Advising on the rules relating to and assisting with VAT registration.
7. Where specialist advice is required on occasions, we may need to seek this from or refer you to appropriate specialists.

Tax Credits

8. If we agree to advise you on tax credits we will issue a separate letter of engagement or schedule to cover this area. Tax credits are, in effect, a social security benefit. Your entitlement or otherwise will depend not only on your own circumstances but also those of your household and we would require all relevant information to advise in this regard.

Changes in the law

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

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10. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

Your responsibilities

11. You are legally responsible for:

- (a) Ensuring that your self-assessment tax returns are correct and complete.
- (b) Filing any returns by the due date.
- (c) Making payment of tax on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

Taxpayers who sign their returns cannot delegate this legal responsibility to others. You agree to check that returns that we have prepared for you are complete before you approve and sign them.

12. To enable us to carry out our work you agree:

- (a) That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions.
- (b) To provide full information necessary for dealing with your affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents.
- (c) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.
- (d) To provide us with information in sufficient time for your tax return to be completed and submitted by the due date following the end of the tax year. In order that we can do this, we need to receive all relevant information by 30th September. Where feasible we may agree to complete your return within a shorter period but additional fees will apply. These are documented in our Terms of Business, which are available on request at any time.

13. You will keep us informed of material changes in your circumstances that could affect your tax liability. If you are unsure whether the change is material or not please let us know so that we can assess its significance.

14. You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when form 64-8 has been signed and submitted it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you.

15. You are responsible for monitoring your monthly turnover to establish whether you are liable to register for VAT. If you do not understand what you need to do, please ask us. If you exceed the VAT registration threshold, and wish us to assist you in notifying HMRC of your liability to be VAT registered, we will be pleased to assist you in the VAT registration process. You should notify us

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of your instructions to assist in your VAT registration in good time to enable a VAT registration form to be submitted within the time limit of one month following the month in which you exceed the VAT registration threshold in force at that time. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.

16. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions of business. These are important provisions that you should read and consider carefully.