

MOREWOOD Payroll Services Ltd

LETTER OF ENGAGEMENT FOR PAYROLL CLIENTS

Dear

In accordance with the recommendations of our professional body, the Association of Accounting Technicians, this letter confirms the basis on which we provide services to you so as to avoid any misunderstandings of our respective responsibilities.

Nature of Services

PAYROLL PREPARATION, P.A.Y.E. AND N.I. RETURNS, AUTO ENROLMENT COMPLIANCE, CIS SUBMISSIONS AND CLAIMS.

Anti Money Laundering Legislation

All accountants must comply with the duties imposed by the Money Laundering Regulations 2017 (the "Anti Money Laundering Legislation") and be aware of the requirements of and penalties imposed by the Proceeds of Crime Act 2002 and the Terrorism Act 2000, which are intended to prevent terrorists and other criminals from using professional services in order to launder money. If we fail to perform these duties, we risk imprisonment.

Before we accept your instructions, we may need to obtain 'satisfactory evidence' to confirm your identity. In certain circumstances, we may need to obtain evidence confirming the identities of third parties, the source of any funds or other property, the purpose of any instructions or any other matter. We may also need to obtain such evidence after we have begun to act on your instructions.

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

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

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

Activity is considered 'criminal' if it is a crime under English law, no matter how trivial. For example, tax evasion is a criminal offence but an honest mistake is not. We will assume that all discrepancies are mistakes unless there is evidence to the contrary.

Client Monies

We may, from time to time, hold money on your behalf. Such money will be held on trust in a client bank account, which is segregated from the firm's funds.

If the total sum of money held on your behalf exceeds £2,000 for a period of more than 2 months, or such sum is likely to be held for more than 2 months, then the money will be placed in an interest-bearing client

bank account. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.

If there are grounds to suspect (even if we do not have substantial evidence to support such suspicion) that any monies held in a client account are derived directly or indirectly from any criminal activity whatsoever, we may not release such monies until we receive permission to do so from the NCA.

Fees

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

Unless specifically agreed, payment of our invoices is due within 14 days from the date of the invoice.

Ownership of Records

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

File Destruction

Whilst certain documents may legally belong to you, unless you tell us not to, we will destroy correspondence and other papers that we store which are more than seven years old, other than documents which we think may be of continuing significance or which we are required to retain in order to demonstrate legal or regulatory compliance. If you require the retention of any document by us on your behalf, you must notify us of that fact in writing and where this is agreed by us we reserve the right to charge a reasonable fee for such retention, such fee to be agreed with you in writing in advance.

Ethical Guidelines

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

Customer Service

We are committed to providing a high standard of customer service. If you have any ideas as to how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know. In the event that you have a complaint, we will look into this carefully and promptly and do all we can to explain the position to you or address your concerns. If you are still not satisfied you may, of course, make a complaint to the Association of Accounting Technicians.

Third parties

All accounts, statements and reports prepared by us are for your exclusive use within your business or to meet specific statutory responsibilities and should be treated as Confidential Information. Save to the extent that you are obliged to disclose such accounts, statements and reports in order to comply with a legal obligation they should not be shown to any other party without our prior written consent.

Disclaimer

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

We are not an independent Financial Advisor thus any assistance or guidance in regards applying for a pension or complying with The Pension Regulators laws does not make us liable for any loss suffered by you or

a third party. We act on your authority to ensure that you fulfil your duties as an employer and accept no liability for any decisions made.

Agreement of terms

This letter is issued subject to and in accordance with our Terms of Business, Please confirm your acceptance of the terms set out in this letter of engagement, which include for the avoidance of doubt our Terms of Business, by signing and returning the enclosed copy. If anything is unclear to you or you require any further information please let me know.

Yours faithfully

Denise Terzi MAAT
Director, Morewood Payroll Services Ltd
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Welwyn, Herts AL6 0UL
Email: denise@morewoodpayroll.co.uk

I/We* confirm that I/we* have read understood and accept the contents of this letter of engagement and agree that it accurately reflects the services that I/we* have instructed you to provide.

Signed:

Dated:

Name:

Dated:

Signed: *

Dated: *

Name:

Dated: