

TERMS OF BUSINESS

Client Name:

Address:

The Firm of IDS + Co. ("the firm") aims to provide you with a high quality of service which:

- Identifies your objectives and is dedicated to assisting you in achieving these.
- Offers sound financial and commercial advice together with business support.
- Provides prompt and efficient replies.
- Offers accessibility at reasonable times and good communication; and
- Provides valued professional expertise at a cost which represents the benefit to the business/you and good value for money.

1. Continuity of Person Responsible

The person in charge of the work will remain in charge unless the clients agree otherwise. Likewise any assistant will remain involved in the transaction unless the clients agree otherwise. If the client has any difficulty with the person/assistant, he should address this with Iain Sim immediately.

2. Communication and ID

We are open from 9am to 5pm, Monday to Friday. If the person concerned is unable to take your call, or if we are closed for a local or statutory holiday, you can leave a message on our answer machine/voicemail service. Our fax line is open at all times and we can also be contacted on our email addresses.

The Firm will keep its clients fully informed about the work and will:

- 2.1 do all it reasonably can to give its clients, their consultants and other advisers sufficient notice of all information required in connection with the work undertaken on their behalf;
- 2.2 provide its clients and their other advisers with all information they require as speedily as possible; and
- 2.3 ensure in so far as it can that its clients are kept fully informed of any cause for concern, in particular any anticipated interference or delay in respect of the work.

The clients for their part, accept a reciprocal obligation to provide the Firm with information, and to advise the Firm if there is any aspect of the service with which they are unhappy as soon as practicable. In this way, both parties can work towards a speedy resolution of any difficulty.

We require satisfactory identification from you, normally passport/driving licence and utility bill less than three months old, and we require you to advise us at any time if you cannot be contacted when we may require your instructions or signature to deal with matters within a specified timetable.

Instructions may be given to us in writing or verbally. We may well ask you to confirm in writing the terms of verbal instructions given to us. If there is any change in your instructions you must notify us immediately. If you wish anyone other than yourself to give instructions or information, we will require confirmation in writing.

In general, we cannot act for two or more parties if they have conflicting interests. Please advise us at the outset if you are aware of potential conflicts which may arise. If we decide that we can still act we will confirm this to you in writing.

External Services

On certain occasions there may be elements of the work which are best dealt with by sub-contracting e.g. specialist tax advice. This will only occur with clients' approval. The client will assume responsibility for those services and for payment for those services.

3. Basis of Fees

It is the Firm's normal practice to agree the basis of our fees, including timing and method of payment with clients in advance. In some circumstances, e.g. for ongoing regular work, we may agree a fixed price. For specialist assignments, we may agree a percentage success price representing the value of the Intellectual Property we have brought to the assignment reflecting our experience, skills, valuable contacts/introductions, knowledge, advice and expertise and which is not related to time incurred carrying out the assignment.

If for any reason a specific engagement is terminated early or postponed without giving us the opportunity to finalise eg for grant applications or fundraising, we shall be entitled to charge fees based on time incurred to date of termination or postponement at the appropriate hourly rate.

We will discuss with you, where appropriate, the provision of a Fixed Price Service for regular compliance work and support, and issue a separate FPA (fixed price agreement) for such arrangements.

Where no specific price is agreed, the Firm will charge the client on a time basis at current rates for charges logged in the Firm's detailed time recording system. This time includes travel to and from the client.

We can provide fee estimates for assignments, when requested, and also arrange standing order or interim payment terms. Such estimates do not take account of uncertain future volumes, difficulty and complexity of work, additional ad hoc advice and support requested by the client, additional bookkeeping, accounting or tax advice or work which becomes protracted. Our proposal is our assessment of defined and estimated scope of work based on receiving quality accurate information, and we reserve the right to update any estimate based on actual work required by the client.

Once our charges have reached the amount of any agreed estimate we will advise you accordingly and obtain your consent to continuing such work.

Hourly rates will vary between Principal/Associate, Manager, assistant etc. and our current rates are noted in the table below:

	Rate £/Hr
Corporate Finance Principal/Associate	£250
Specialist Tax Consultant	£200
General Principal/Associate	£175
Tax Manager	£130
Manager	£120
Senior Assistant	£65
Accounts Assistant	£50
Bookkeeping/Payroll	£30
Admin Support	£25

These rates are subject to change by the firm after periodic review and a current rate table can be provided on request. On any assignment, if this is terminated or postponed by the client, we shall be entitled to invoice our time and work incurred up to termination or postponement date.

Bookkeeping, VAT and Accounts Preparation Fees

Bookkeeping will be charged at an hourly rate based on volume of work and actual time required.

Any estimate given will be based on the Firm's experience. We will not be committed to bookkeeping or accounting estimates given until we have worked with you for three months to establish your exact needs and the quality of your records. If the work is more complicated or takes longer than anticipated the Firm may increase the estimate to take account of this and will inform the client of such proposed increase as soon as reasonably possible. If a quote is provided solely for accounts preparation, this will assume your records are complete and of good quality. If bookkeeping work is required to correct your records prior to preparing accounts, charges for this additional work will be advised to you and agreed.

Payroll Fees

In the case of payroll we will add 10% to our time charges to cover all consumables including payslips, P60s, payment advices etc.

Additional and Ad Hoc Work

If work recorded on our system on your behalf exceeds our original quote due to:

- the scope of your requirements extending beyond the agreed scope of work specified;
- Increased volumes of work;
- Additional complexity;
- Protracted work outwith our control;
- Additional advice required;
- Changes in legislation e.g. tax laws;
- Additional meetings required;
- Additional information not previously available;
- Updates to projections and/or business plans e.g. using updated management results or updated estimates/parameters;
- Requirements of external parties e.g. funders;

then we shall charge additional fees for this extra work based on a time and rate basis or as agreed with you on a fair and reasonable basis. Where practical, we will issue an **Additional Work Order to vary or add to the scope and extent of our work**, provide an estimate, and obtain your agreement prior to proceeding. If you **require work or advice urgently before formally authorising**, you agree to pay our charges based on a time and hourly rate or as modified by us for you and it is your responsibility to request a quotation in advance of such work, if required. Specifically it is not our practice to withhold requested advice and assistance pending agreement of fees therefore acceptance of these terms by you constitutes your authorisation to invoice fees on a reasonable basis for such advice as per terms above.

Time spent travelling to and from client premises or in relation to a client meeting elsewhere is chargeable at normal rates.

In assessing charges not on a time/rate basis we take into account a number of factors including the value of the transaction, the complexity and difficulty of the matter, the skill, knowledge and responsibility involved, the urgency of the work, the place where we are required to carry out the work, and the contacts/introductions made.

We are also required by law to carry out identity checks on every client. For partnerships this will be all partners and for limited companies this will be for every officer, every shareholder with a material interest (>20%) and anyone who exercises control or influence. If we require to carry out more detailed checks, for example by using an independent company, any expense incurred will be advised and added to your initial invoice.

You are entitled to change accountants at any time but you are responsible for the charges and any other outstanding payments due to us until the time of change. We are entitled to hold documents, files or other records until full payment is received.

4. Disbursements

Air, rail or taxi fares will be charged at cost. Hotel charges and meals will also be charged at cost but only with the prior approval of the client and when such costs cannot reasonably be avoided. Business mileage will be recharged at 45p per mile. Bulk mailing, long distance telephone calls and delivery charges will also be charged at cost where appropriate. For other disbursements including stamp duty the Firm will endeavour to notify the client in advance where possible and these will be charged at cost. The Firm reserves the right to invoice all out of pocket expenses where incurred. These are payable upon receipt of invoice.

5. VAT

VAT is charged at the current rate on all charges and expenses other than disbursements on your behalf.

6. Payment

Advance payments are due as per Quotations for specific assignments and must be paid before work commences.

Our normal terms for payment of invoices are 14 days from invoice date.

Payment of invoices are due after issue of the invoice in accordance with terms specified. The Firm also reserves the right to withdraw from acting for clients if payment of invoices are overdue. Where an invoice has been issued for a modified charge and the invoice remains outstanding for a period in excess of thirty days, the Firm reserves the right to issue a new invoice for the work with removal of the modification.

Where independent assessment of charges becomes necessary, the Firm will be entitled to recover any charge for such an assessment in full from the client.

If any invoices are not paid within stated invoice terms we reserve the right to add a surcharge of 5% per month to offset the additional costs involved as a result. All invoices which are more than two months overdue, may be recovered via our collection agents, if necessary, and then costs will be recoverable from you. We do not anticipate that this will be necessary.

Our proposal is our assessment of defined and estimated scope of work, and we reserve the right to update any estimate based on actual work required by the client.

It is important to note that any standing order arrangement is not automatically deemed a fixed price and simply spreads cashflow for both parties. Payments received will require to be reconciled periodically to actual work carried out and we will provide a report on this on a quarterly/half yearly/annual basis. Any additional fees will be invoiced after reconciliation and agreement with you to recover this extra work.

Should our charges be less than the standing order we will discuss and assess with you the best means to deal with this at that time.

Where specific work is engaged and is carried out over a period of time we shall be entitled to issue interim invoices to account periodically (normally monthly) to cover costs incurred to date.

Where work is requested by the client on business setup or funding, payment of our invoices is not conditional on such setup or funding being successful, and we will normally request an advance payment of our estimated charges being paid before commencing such work due to the risks inherent in such engagements.

Once our charges have reached the amount of the advance payment we will advise you accordingly and obtain your consent to continuing such work and obtain further monthly interim payments to allow us to do so.

Final charges for work on raising finance will be invoiced once an acceptable funding offer has been received by the client. Any outstanding amounts will be deducted from receipt of funds by solicitors and settled along with, and at the same time as solicitors fees by direct remittance to us.

7. Limited Companies

Where a limited company has instructed us and the director(s) have signed these terms and conditions on behalf of the company, such directors hereby accept and acknowledge that he or she are jointly and severally liable to pay on demand, in full, all and any of our fees, VAT, outlays and expenses (together known as the "Fees") incurred by us which fall to be paid by the company in accordance with these terms, and for such additional fees and expenses incurred by us in endeavouring to recover such Fees from the company.

8. Tax Enquiry Insurance

We can offer you inexpensive tax enquiry insurance through our provider, Abbey Tax, which can cover our charges both for full and aspect tax enquiries. Unfortunately anyone can be subject to such an enquiry even on a random basis and we would encourage you to join our protection scheme – please contact us for details of cover, cost and how to take this out via ourselves to ensure you are covered.

Other than where insurance is arranged through us, you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

9. Investment Business

Investment business is regulated under the Financial Services and Markets Act 2000. We are not authorised under that Act.

Should you require any specific investment advice, we may introduce you to an independent permitted third party (PTP).

In the event of our receiving any such commission or benefits we will notify you in writing of the amount and terms of payment. You consent to such commissions and benefits being retained by us without our being liable to account to you for such amounts.

10. Confidentiality

Information passed to us is kept confidential and will not be disclosed to third parties unless authorised by you or required by law. It should be noted that we have a statutory duty to make a disclosure to the National Crime Agency (NCA) in certain circumstances.

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.

We reserve the right, for the purpose of promotional activity, training or for other business purpose, to mention that you are a client. As stated above, we will not disclose any confidential information.

11. Conflicts of Interest

We will inform you if we become aware of any conflict of interest in our relationship with you or in our relationship with you and another client. Where conflicts are identified which cannot be managed in a way that protects your interest then we regret that we will be unable to provide further services.

If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests then we will adopt those safeguards. Where possible, this will be done on the basis of your informed consent. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject of course to the obligations of confidentiality referred to above.

12. Copyright and Third Parties

All copyright in documents we produce is reserved to us. Advice given and documents prepared are for your use only and may not be copied or used or relied upon by any third party without our express written consent.

13. Dissatisfaction

If for any reason you are unhappy about the quality of service provided, or the amount of our fees, then you should, in the first instance take the matter up with the person with whom you have been dealing. Alternatively, should you prefer or if you feel your initial approach has not resolved the point, we would invite you to raise the matter with Iain Sim.

Please sign one copy of these terms of business in black ink and return to us as confirmation of your acceptance.

Signed:

On Behalf of:	IDS + Co	Date:
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Signed as Accepted By: _____

Position: _____

For Client:	Date:
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