

ENGAGEMENT PACK

For: Freman College

Hillier Hopkins LLP
Chartered Accountants
and Tax Advisers

HillierHopkins



ENGAGEMENT PACK

Hillier Hopkins LLP and Freman College

Dear Sirs

The purpose of this letter, along with the attached schedules is to set out the basis on which we are to act as accountants of the above named academy trust and the respective areas of responsibility of the trustees (being governors and company directors) and of ourselves.

Terms of Business

We are bound by the Ethical Code of The Institute of Chartered Accountants in England and Wales and accept instructions to act for you on the basis that we will act in accordance with the guidance set out within.

- **Professional Services:** We have listed below the Services which you have instructed us to carry out. If there are other services that you wish us to carry out which are not listed, please let us know and we will discuss with you whether they can be included in the scope of our work.
- **General Terms and Conditions of Business:** Although we offer a range of services that vary in detail, our relationship with you and the work we undertake are governed by the same terms and conditions. This document should be read in conjunction with the Engagement Pack as a whole and is effective for all Specific Services engaged.
- **Privacy Notice:** Under Data Protection Legislation we are obliged to communicate with you the basis on which we process personal data. This document should be read in conjunction with the Engagement Pack as a whole and is effective for all engaged services with you.

We enclose with this letter:

APPENDIX A: PROFESSIONAL SERVICES

- 1) **Audit of the Financial Statements**
- 2) **Assurance on Regularity**
- 3) **Report on Teachers' Pension Scheme (EOYC)**
- 4) **Assurance Opinion on the Accounts Return**
- 5) **Financial Statements (with Audit)**
- 6) **Corporation Tax Return (CTSA)**

APPENDIX B: ILLUSTRATIVE STANDARD TERMS OF ENGAGEMENT FOR TP05

APPENDIX C: GENERAL TERMS AND CONDITIONS OF BUSINESS

APPENDIX D: PRIVACY NOTICE

Your Service Team

The following people are responsible for providing you with the service you require and can be contacted to deal with any questions or queries that you may have.

Name	Service	Contact Details (Direct Line & Email)
Alex Bottom	Principal	01923 634429 alex.bottom@hhllp.co.uk
Louise Tucker	Manager	01923 634473 louise.tucker@hhllp.co.uk

Agreement of Terms

This letter, together with the attached appendices, constitutes the entire contract between us and any proposed variations or termination must be specifically instructed in writing. Once agreed, this letter will remain effective from the date of signature until it is replaced.

Liability Provision

We will provide our professional services with reasonable care and skill. However we will not be held responsible or liable for any losses to the extent that these are caused by the supply by you or others on your behalf (other than our representatives) of late, incorrect, out-of-date or incomplete information, or your or others failure or delay in supplying any appropriate information or any failure to act on our advice or respond promptly to communications from us or relevant authorities.

You agree that the members, principals, employees and consultants of The Firm are not assuming a relationship of personal responsibility so as to create a special relationship. Instead, they are acting as agents for The Firm. Accordingly, you agree that they shall not have any personal liability.

The following liability caps apply for the service provisions:

Assurance on Regularity:

Set in accordance with the ESFA's standardised terms of engagement included within the Academy Accounts Direction. www.gov.uk/education/academy-and-academy-trust-finance-and-reporting

Teachers' Pension Scheme (EOYC) return:

Set in accordance with the Teachers' Pension standardised terms of engagement included within the Reporting Accountant Guidance. <https://www.teacherspensions.co.uk/>

All other services:

Our liability is limited as set within our **General Terms and Conditions of Business**. We have a limit on our liability (other than statutory audits) on your engagement to an amount which is the greater of:

- (i) £1,000,000; or
- (ii) ten times the total fees paid by you to us under all Engagements in aggregate within that 12 month period.

Professional Charter

Our professional charter sets out our responsibilities to each other and aims to ensure we both know what to expect from our work together.

Our Commitment to You:

- Act with integrity, honesty and openness in everything we do for and with you.
- Respect absolutely the confidentiality of our working relationship.
- Aim to meet agreed deadlines. However, in the unlikely event of any delay, you will be informed in advance.

Your Commitment to Us:

- Be open, frank and honest with us at all times.
- Let us know immediately of any concerns you have about our work together.
- Give us all the information we need to do the work.

Further Help

If you have any questions, or any aspect of the pack is not in accordance with your understanding of the service we are to offer, please telephone us.




Hillier Hopkins LLP

Date: 28 June 2022

APPOINTMENT ACCEPTANCE

We acknowledge receipt of your **Engagement Pack** and agree to the letter and the **Specific Services Appendices** which, together with the **General Terms and Conditions of Business** and **Privacy Notice**, fully record the agreement between us concerning your appointment to carry out the work described.

Signature: 

Printed name: HELEN LOUGHRAN

On behalf of The Academy Trust

Date: 19/07/2022

APPENDIX A: PROFESSIONAL SERVICES

1) Audit of the Financial Statements

1. Purpose

- 1.1 The purpose of this appendix is to set out the basis on which we are to act as auditor of the academy and the respective areas of responsibility.

2. Your Responsibilities

- 2.1 As trustees of the above named academy (the academy trust), in addition to your general duties as specified in sections 170 to 177 of the Companies Act 2006, you are responsible for keeping adequate accounting records that are sufficient to show and explain the academy trust's transactions and disclose with reasonable accuracy at any time the financial position of the academy trust and to enable you to ensure that the financial statements comply with the Companies Act 2006. You are also responsible for preparing financial statements which give a true and fair view and have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Academies Accounts Direction issued by the Education and Skills Funding Agency, the Companies Act 2006 and regulations made under it.
- 2.2 In preparing these financial statements, you are required to:
- select suitable accounting policies and then apply them consistently;
 - make judgements and accounting estimates that are reasonable and prudent;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in operation; and
 - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 2.3 You also have a responsibility not to approve these financial statements unless you are satisfied that they give a true and fair view.
- 2.4 In accordance with the academy trust's funding agreement with the Secretary of State for Education you are required to ensure that the academy trust abides by the requirements of, and has regard to, the guidance in the Academies Financial Handbook and any subsequent amendments or variations including the Academies Accounts Direction. The Academies Financial Handbook sets out in detail provisions for the financial management of the academy trust including guidance on financial systems and controls and accounting and reporting requirements insofar as these are not inconsistent with any accounting and reporting requirements and guidance that the academy trust may be subject to by virtue of it being a charity.
- 2.5 As trustees of an academy trust, you have a duty under the Companies Act 2006 to prepare a strategic report, a directors' report and also an annual report (including a statement of trustees' responsibilities, governance statement and statement on regularity, propriety and compliance) for each financial year, complying in its form and content with requirements set out in the academy trust's funding agreement with the Secretary of State for Education. You should have regard to Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' 2015 (FRS 102) issued by the joint SORP-making body, and any subsequent amendments or variations to this statement. You should also have regard to the Academies Accounts Direction issued by the Education and Skills Funding Agency and any subsequent amendments and variations made in respect of the relevant financial year.
- 2.6 You are responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error and which conform to the requirements both of propriety and good financial management. Additionally, you are also responsible for safeguarding the assets of the academy trust, complying with laws and regulations and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- 2.7 You are responsible for making available to us, as and when required, all the academy trust's accounting records and all other relevant records and related information, including minutes of all trustees' and management meetings and additional information that we may request. You will also provide us with unrestricted access to persons within the academy trust from whom we determine it is necessary to obtain audit evidence.

2.8 You are required to confirm in the trustees' report that so far as you are aware, there is no relevant audit information of which we, as the academy trust's auditors, are unaware and that you have taken all the steps that you ought to take as trustees in order to make yourselves aware of any relevant audit information and to establish that we are aware of that information. We are entitled to require from the academy trust's officers and employees such other information and explanations as we think necessary for the performance of our duties as auditors.

3. Our Responsibilities

3.1 We have a statutory responsibility to report to the members of the academy trust whether in our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at the year end and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

3.2 We also have a statutory responsibility to state in our report whether in our opinion the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements and whether the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

3.3 In light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we will also report whether any material misstatements are identified in the strategic report and the directors' report.

3.4 In addition, we have a statutory responsibility to report by exception if, in our opinion:

- adequate accounting records have not been kept by the academy trust or returns adequate for our audit have not been received from branches not visited by us; or
- the academy trust's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations which we consider necessary for the purposes of our audit.

3.5 If we have nothing to report in respect of the above matters we will include a statement in our report confirming this.

3.6 Where the financial statements do not disclose details of directors' benefits: remuneration, pensions and compensation for loss of office, the Companies Act 2006 also requires us, so far as we are reasonably able to do so, to include a statement in our report giving the required particulars.

3.7 We have a professional responsibility to report if the financial statements do not comply in any material respect with applicable accounting standards, unless in our opinion the non-compliance is justified in the circumstances. In determining whether or not the departure is justified we consider whether:

- the departure is required in order for the financial statements to give a true and fair view; and
- adequate disclosure has been made concerning the departure.

3.8 As noted above, our report will be made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work will be undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditor's report and for no other purpose. In those circumstances, to the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for the audit report, or for the opinions we form. The audit of the financial statements does not relieve you of your responsibilities.

3.9 Alex Bottom is responsible for the auditor's report, and is therefore the Senior Statutory Auditor for the purpose of s504 of the Companies Act 2006, and will sign the auditor's report in their name on behalf of the firm.

- 3.10 Under the Charities (Accounts and Reports) Regulations 2008 you are required to report as to whether you have given consideration to the major risks to which the academy trust is exposed, and to the systems designed to manage those risks. We are not required to form an opinion on the effectiveness of the risk management and control procedures.
- 3.11 We have a statutory duty to report to the Education and Skills Funding Agency on behalf of the Secretary of State for Education, under sections 156-160 of the Charities Act 2011, such matters (concerning activities or affairs of the academy trust or any connected institution or body corporate) of which we become aware during the course of our audit which are (or are likely to be) of material significance to the regulator in the exercise of their powers of enquiry into, or acting for, the protection of charities.
- 3.12 Part 9 of the Academies Accounts Direction requires us to report matters of material significance direct to the Education and Skills Funding Agency. To the extent necessary to enable us to comply with the Academies Accounts Direction you waive the academy trust's right of confidentiality. This waiver extends to any report made, document produced or information disclosed to the Education and Skills Funding Agency in good faith pursuant to these instructions.
- 3.13 In the event that we cease to act as statutory auditors for the academy trust we are required by paragraph 9(3) of schedule 10 of the Companies Act 2006 to make available, if requested, all relevant information concerning the audit of the academy trust to our successors as statutory auditors. You agree to cover any reasonable costs of making such information available that we may incur in fulfilling our statutory duty.
- 3.14 We also draw your attention to the requirements of sections 510 to 526 of the Companies Act 2006 in relation to auditor removal and resignation.

4. Scope of Audit

- 4.1 Our audit will be conducted in accordance with the International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Those standards require that we plan and perform our audit in order to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 4.2 As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
 - Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's/ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Read all financial and non-financial information (other information) included in the annual report other than the financial statements and identify whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears materially misstated. You are responsible for the preparation of the other information and where, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report this fact.
- 4.3 We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 - 4.4 Our work will be planned in advance and incorporated into an audit plan. This may be varied on the basis of our findings during the course of an audit from year to year. Accordingly, we may modify our audit scope, rotate our audit emphasis and propose matters of special audit emphasis, as circumstances dictate.
 - 4.5 We shall obtain an understanding of the accounting and internal control systems in order to assess their adequacy as a basis for the preparation of the financial statements, and to establish whether adequate accounting records have been maintained by the academy trust. We shall expect to obtain such appropriate evidence as we consider sufficient to enable us to draw reasonable conclusions therefrom.
 - 4.6 The nature and extent of our procedures will vary according to our assessment of the academy trust's accounting system and, where we wish to place reliance on it, the internal control system, and may cover any aspect of the academy trust's operations that we consider appropriate. Our audit is not designed to identify all significant weaknesses in the academy trust's systems but, if such weaknesses come to our notice during the course of our audit which we think should be brought to your attention, we shall report them to you. We understand that you are required to provide a copy of this report to the Education and Skills Funding Agency. With the exception of this, no reports may be provided to third parties without our prior written consent. Such consent is, and will be, granted only on the basis that such reports are not prepared with the interests of anyone other than the academy trust in mind and that we accept no duty or responsibility to any other party as concerns the report. No responsibilities are accepted by us towards any party acting or refraining from action as a result of this report.
 - 4.7 The information used by you in preparing the financial statements will invariably include facts or judgements which are not themselves recorded in the accounting records. As part of our normal audit procedures, we will ask you to provide written confirmation each year of such facts or judgements and any other oral representations that we have received from you during the course of the audit on matters having a material effect on the financial statements. In particular, where we bring misstatements in the financial statements to your attention that are not adjusted, we shall require written representation as to whether you believe the effects of the uncorrected misstatements are immaterial, individually or in aggregate, to the financial statements as a whole. In connection with representations and the supply of information to us generally, we draw your attention to section 501 of the Companies Act 2006 under which it is an offence for an officer or employee of the academy trust to knowingly or recklessly make misleading, false or deceptive statements to auditors.
 - 4.8 In order to assist us with the examination of your financial statements, we shall request sight of all documents or statements, including the Trustees' Annual Report and Governance Statement, which are due to be issued with the financial statements. We are also entitled to attend all general meetings of the academy trust and to receive notice of all such meetings as well as to receive details of all written resolutions that are to be circulated to members.
 - 4.9 The responsibility of safeguarding the assets of the academy trust and for the prevention and detection of fraud, error and non-compliance with laws and regulations rests with yourselves. However, we shall plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records (including those resulting from fraud, error or non-compliance with laws and regulations), but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance as may exist.

- 4.10 In respect of the expected form and content of our report, we refer you to the most recent bulletin on auditor's reports published by the Financial Reporting Council at www.frc.org.uk and the Academies Accounts Direction issued by the Education and Skills Funding Agency. The form and content of our report may need to be amended in the light of our findings.
- 4.11 Once we have issued our report we have no further direct responsibility in relation to the financial statements for that financial year. However, we expect that you will inform us of any material event occurring between the date of our report and the date the financial statements are sent out in accordance with section 423 Companies Act 2006 which may affect the financial statements.
- 4.12 Where audited information is published on the academy trust's website or by other electronic means, it is your responsibility to advise us of any intended electronic publication before it occurs and to ensure that any such publication properly presents the financial information and auditor's report. We reserve the right to withhold consent to the electronic publication of our report if it or the financial statements are to be published in an inappropriate manner. It is your responsibility to ensure there are controls in place to prevent or detect quickly any changes to that information. We are not required to review such controls nor to carry out ongoing reviews of the information after it is first published. The maintenance and integrity of the academy trust's website is your responsibility and we accept no responsibility for changes made to audited information after it is first posted.
- 4.13 Where we are engaged to assist in preparing iXBRL-tagged financial statements for submission to HMRC with the company's tax return, the accuracy of this information remains your responsibility. We are not currently required by auditing standards to verify the iXBRL tagging or the underlying data as part of our statutory audit.

5. Communication of Audit Matters

- 5.1 In order to ensure that there is effective two-way communication between us we set out, as follows, the expected form and timing of such communications. The manner in which we communicate will vary, reflecting the size and nature of the company and the manner in which those charged with governance operate.
- 5.2 As a minimum we shall contact you to discuss the forthcoming audit prior to the expected start date. We will confirm the matters discussed in writing and any agreed action. After completion of the on site audit work we will communicate any matters arising from the audit, again confirming in writing and any agreed action.
- 5.3 These formal communications are the minimum required to comply with auditing standards. We shall of course contact you on a more regular basis regarding both audit and other matters.

2) Assurance on Regularity

1. Purpose

- 1.1 The purpose of this appendix is to set out the basis on which we are to provide an Independent Reporting Accountant's Assurance Report on Regularity to the academy trust and the Education and Skills Funding Agency and the respective areas of responsibility.

2. Responsibilities

- 2.1 The Secretary of State for Education acting through the Education and Skills Funding Agency has adopted the Standardised Terms of Engagement included within the Academies Accounts Direction. We will report to the Secretary of State for Education acting through the Education and Skills Funding Agency in accordance with those Standardised Terms of Engagement for Independent Accountants' Reports. The Secretary of State for Education acting through the Education and Skills Funding Agency will not be required to sign this engagement letter.
- 2.2 Our engagement will be conducted in accordance with these standardised terms of engagement. Amongst other areas, these standardised terms set out the responsibilities of the academy trust and establish the scope of our work and the format of our report.
- 2.3 In planning and conducting our regularity assurance work, we will also have due regard to other relevant professional guidance.

3) Report on Teachers' Pension Scheme (EOYC)

1. Purpose

- 1.2 The purpose of this appendix is to set out the basis on which we are to provide an independent reporting accountant's report of factual findings and exceptions in respect of the Teachers' Pensions End of Year Certificate (EOYC) and the respective areas of responsibility.

2. Responsibilities

- 2.1 Teachers' Pensions have adopted the pre-agreed standardised terms of engagement included within Reporting Accountant Guidance TP05. A copy of the pre-agreed standardised terms of engagement is attached to this letter (Appendix B). Teachers' Pensions accepts and agrees that an engagement between the academy trust, its reporting accountant and Teachers' Pensions is formed when the academy trust appoints, by way of a signed engagement letter, a reporting accountant in respect of form EOYC under Teachers' Pensions' guidance TP05 and in accordance with the International Standard on Related Services (ISRS) 4400.
- 2.2 We will report to Teachers' Pensions in accordance the pre-agreed standardised terms of engagement included within Reporting Accountant Guidance TP05 and in accordance with ISRS 4400. Teachers' Pensions will not be required to sign this engagement letter.
- 2.3 Our engagement will be conducted in accordance with the pre-agreed standardised terms of engagement. Amongst other areas, the pre-agreed standardised terms of engagement set out the responsibilities of the academy trust and establish the scope of our work and the format of our report.
- 2.4 In planning and conducting our engagement, we will also have due regard to other relevant professional guidance and requirements, including the FRC's Ethical Standard and ISRS 4400.

4) Assurance Opinion on the Accounts Return

1. Purpose

- 1.1 The purpose of this appendix is to set out the basis on which we are to provide an Independent Reporting Accountant's Report in connection with the requirements outlined in guidance published by the Education and Skills Funding Agency and the respective areas of responsibility.

2. Your Responsibilities

- 2.1 Preparation of the Accounts Return in accordance with the requirements set out in the guidance issued by the Education and Skills Funding Agency will be your responsibility, as the academy trust's trustees. You will also be responsible for ensuring that the academy trust maintains adequate accounting records. You will, on request, supply us with confirmation of matters affecting our work which are dependent upon your judgement as trustees.
- 2.2 The completed Accounts Return must be approved by the academy's accounting officer prior to the submission of our report.
- 2.3 Save as set out within the scope of our work section below, we will not seek to establish the accuracy, completeness and reliability of any of the information or documentation made available to us. We have not been instructed to carry out an audit of the Accounts Return, and the procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, we do not express an audit opinion on the information presented in the Accounts Return.
- 2.4 Our audit work on the financial statements of the academy is carried out in accordance with our statutory obligations and is subject to the terms and conditions outlined in its own service appendix. Our engagement in respect of the Accounts Return assurance report will not be treated as having any effect on our separate duties and responsibilities as the academy's external auditors.
- 2.5 To the fullest extent permitted by law we do not and will not, by virtue of our reports or otherwise, assume or accept any duty of care or liability under this Accounts Return engagement to the academy or the Education and Skills Funding Agency or to any other party, whether in contract, negligence or otherwise in relation to our audit of the academy's financial statements.

3. Our Responsibilities

- 3.1 We will conduct relevant work in order to issue a conclusion in accordance with guidance issued by the Education and Skills Funding Agency. The conclusion sets out whether the information in the Accounts Return is consistent with the academy trust's audited statutory financial statements and where appropriate has been properly extracted from the academy trust's financial records and presented in the Accounts Return in accordance with the guidance notes issued by the Education and Skills Funding Agency.
- 3.2 Our report will be in the format as published by the Education and Skills Funding Agency. Our report is not to be used for any other purposes or disclosed to any other person without our prior written consent. We consent to the report being provided to the Education and Skills Funding Agency though to the fullest extent permitted by law we owe no duty of care to the Education and Skills Funding Agency and we will not be liable to Education and Skills Funding Agency, Department for Education, National Audit Office or any other parties for any reliance they choose to place upon the report.
- 3.3 You have also asked us to help you prepare the Accounts Return in accordance with guidance issued by the Education and Skills Funding Agency. We will compile the Accounts Return for your approval based on the audited financial statements, the accounting records maintained by you and the information and explanations given to us by you. In carrying out this work we will make enquiries of management and undertake any procedures that we judge appropriate.
- 3.4 We have agreed that, under this engagement, we will not perform an audit or any verification procedures other than those which are set out within this scope section. If we were to perform additional procedures or if we were to perform an audit of the Accounts Return or any other more limited review, other matters might have come to our attention that would have been reported to you.
- 3.5 Our work will be based on the assumption that information provided to us by the management of the academy is reliable and, in all material respects, accurate and complete. We will not subject the information contained in our report to checking or verification procedures except to the extent expressly stated. This is normal practice when carrying out such limited scope procedures, but contrasts significantly with, for example, an audit. Even audit work provides no guarantee that fraud will be detected. You will therefore understand that the services are not designed, and are not likely, to reveal fraud or misrepresentation by the management of the academy trust. Accordingly we cannot accept responsibility for detecting fraud (whether by management or by external parties) or misrepresentation by the management of the academy.

5) Financial Statements (with Audit)

1. Purpose

- 1.1 The purpose of this appendix is to set out the basis on which we are to act with respect to the preparation of the academy's financial statements and the respective areas of responsibility.

2. Your Responsibilities

- 2.1 You have advised us that the academy is subject to an assurance report which, if performed by ourselves, is subject to a separate engagement appendix.
- 2.2 As trustees of the academy, you are responsible for keeping adequate accounting records that are sufficient to show and explain the academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy. You are also responsible for preparing financial statements which give a true and fair view. In preparing the financial statements, you are required to:
 - select suitable accounting policies and then apply them consistently;
 - make judgements and estimates that are reasonable and prudent; and
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- 2.3 We understand that the books of account of the academy will be balanced at the balance sheet date by your staff. It is expected that your staff will also be responsible for preparing detailed schedules of assets (including stock, if appropriate) and liabilities for the purposes of completing

the annual accounts. Our accountancy work will, therefore, be limited to the preparation of final detailed and statutory accounts for presentation to the members. If the detailed schedules are not available or the accounts are not balanced we may be involved in additional accounting work and this will lead to additional costs.

- 2.4 Where we assist in preparing iXBRL-tagged financial statements for submission to HMRC with the academy's tax return, the accuracy of this information remains your responsibility.

3. Our Responsibilities

- 3.1 You have asked us to help you prepare the financial statements. We will compile the annual financial statements for your approval based on the accounting records maintained by you and the information and explanations given to us by you.
- 3.2 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.
- 3.3 As part of our normal procedures, we may request you to provide written confirmation of any information or explanations given by you orally during the course of our work.

6) Corporation Tax Return (CTSA)

1. Purpose

- 1.1 The purpose of this appendix is to set out the basis on which we are to act with respect to the company's corporation tax (CTSA) return and the respective areas of responsibility.

2. Commencement of Service

- 2.1 This engagement will commence with the company's tax return for the accounting period to 31 August 2022.

3. Your Responsibilities

- 3.1 Even though you are engaging us to help you meet your corporation tax obligations, the directors on behalf of the company are legally responsible for:
- ensuring that the CTSA return (including iXBRL tags and iXBRL file) is correct and complete;
 - filing any returns by the due date; and
 - making payment of tax on time.
- 3.2 Failure to do this may lead to automatic penalties, surcharges and/or interest.
- 3.3 To enable us to carry out our work, the directors agree:
- that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
 - to provide full information necessary for dealing with the company's affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
 - to authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with the company's affairs;
 - to provide us with information in sufficient time for the company's CTSA 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 within six months of the period end. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee;
 - to provide information on matters affecting the company's tax liability for the accounting period in respect of which instalments are due at least two 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
 - 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 least within three months of the end of the relevant accounting period.
- 3.4 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.

- 3.5 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.
- 3.6 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.
- 3.7 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. You will be responsible for all other tax returns including those under ATED, VAT, PAYE and P11D regulations, unless we are otherwise instructed.

4. Our Responsibilities

- 4.1 We will prepare the corporation tax computation self-assessment (CTSA) return and supporting schedules required for preparation of the company tax return from accounts, information and explanations provided to us on your behalf.
- 4.2 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.
- 4.3 After obtaining the approval of an authorised nominated person (in writing or other documented form), we will submit it to HM Revenue & Customs (HMRC). The nominated person will usually be a director and we would ask you to notify us in writing of any other authorised individuals.
- 4.4 For the purpose of the delivery of the company's tax return, we will use commercial software to apply iXBRL tags to items in the accounts as we consider appropriate for the purposes of submission of the accounts in iXBRL via the Government Gateway for tax purposes.
- 4.5 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.
- 4.6 We will advise on the interest and penalty implications if corporation tax is paid late. We will inform you if instalment payments of corporation tax are due for an accounting period and the dates they are payable.

5. Tax Enquiry

- 5.1 We shall deal with HM Revenue & Customs on any tax enquiries in respect of the company's tax return, having discussed such matters with you, as appropriate. This will be subject to a separate engagement appendix.

6. Changes in the Law, in Practice or in Public Policy

- 6.1 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, practice, public policy or in your circumstances.
- 6.2 We will accept no liability for losses arising from changes in the law (or the interpretation thereof), practice or public policy that are first published after the date on which the advice is given.

7. Other Related Services

- 7.1 We shall be glad to assist you generally in tax matters if you advise us in good time of any proposed transactions. We will provide advice on the basis of the law in effect at the time. You should ask us to review any advice already given if a transaction is delayed, or is to be repeated, or if an apparently similar transaction is to be undertaken.
- 7.2 While we expect to take reasonable care for keeping you advised of matters which came to our attention and which may be beneficial to you in terms of planning your affairs, this engagement places no such obligation on us, implied or otherwise, and does not require that we consider tax

planning matters for you. Should you ask us to undertake this sort of work it will be covered by a separate engagement appendix. Examples of such work may include:

- 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;
- claims in relation to expenditure incurred on qualifying Research & Development projects;
- share option/incentive schemes and share restructuring arrangements; and
- preparing any amended returns which may be required and corresponding with HMRC as necessary.

8. Documents

8.1 Any documents or correspondence produced by us, or received by us directly from a third party in our capacity as your tax advisor during the term of our engagement shall remain the property of our firm unless otherwise agreed in writing.

8.2 Documents and records relevant to your tax affairs are required by law to be retained for minimum periods. These minimum periods can be accessed online at www.gov.uk.

APPENDIX B: ILLUSTRATIVE STANDARD TERMS OF ENGAGEMENT FOR TP05

The following are the pre-agreed standardised terms of engagement on which Teachers' Pensions (TP) engages with reporting accountants to perform an 'agreed-upon procedures' engagement and report in connection with 'Reporting Accountant Guidance TP05 on the Employer's TP End of Year Certificate (EOYC) annual submission to TP for the period ended 31 March 2022.

TP accepts and agrees that an agreement between the employer, its reporting accountants and TP on these terms is formed when the employer appoints, by way of a signed engagement letter, a reporting accountant to complete an 'agreed-upon procedures' engagement in respect of form EOYC under TP's guidance TP05 and in accordance with International Standard on Related Services (ISRS) 4400. These terms are in lieu of signing a tri-partite engagement letter with the employer and the reporting accountants, and should be attached to and form part of the separate letter of engagement between the employer and reporting accountants.

The 'agreed-upon procedures' report ('the report') should take the form of that set out in Appendix 3 of TP05.

In these terms of engagement:

'TP' refers to the body that is responsible for administering the contributory pension scheme known as The Teachers' Pension (TP); in this case Teachers' Pensions on behalf of the Department for Education (DfE).

'Employer' refers to the organisation that is required to make and deduct teacher pension contributions from relevant teachers and pay these over to the TP.

'Responsible Finance Officer(s)', where reference is made to the Responsible Finance Officer this is the Officer who is either the Section 151 Officer (LAs), the Board, the Chief Finance Officer or other relevant senior member of staff who has financial responsibility and delegated authorisation rights for the employer. A payroll officer for example would not hold relevant seniority, nor is it appropriate to delegate completion or responsibility for the EOYC for example to outsourced payroll providers. Responsibility for the accurate completion of the EOYC, contributions paid and deducted remain with the employer.

'Reporting accountants' are the appropriately qualified and independent accountants appointed by the employer for the purpose of reporting on the EOYC. In this capacity, whilst qualified to act as independent external reporting accountants, the appointed reporting accountants act as a professional accountant undertaking an 'agreed-upon procedures' engagement in accordance with TP's TP05 guidance arrangements and ISRS 4400;

For independent schools, a **'suitably qualified person'** is an independent qualified accountant with CIMA, ACCA, CIPFA or ICAEW qualification. Alternatively, it can be a governor (other than an employee) who is a retired Bursar or Finance Director.

For all other bodies, the reporting accountants will be those registered under Companies Act 2006 and/or Local Audit and Accountability Act 2014. Independent or independence means individuals who are independent within the meaning of the FRC's Ethical Standard.

An **'agreed-upon procedures engagement'** is performed in accordance with International Standard on Related Services (ISRS) 4400. It is an engagement in which reporting accountants is engaged to carry out those procedures to which the accountants, the entity and any appropriate third party have agreed to and to report on the factual findings. The recipients of the report form their own conclusions on the report. The report is restricted to those parties who have agreed to the procedures to be performed since others, unaware of the reasons for the procedures, may misinterpret the results.

'Underlying records' are the accounts, data and other working papers held by the employer or others on its behalf supporting entries on the EOYC return.

1. Introduction

The employer is required to submit to TP an EOYC (the original return) as set out in Clause 2 below. The employer appoints the independent reporting accountants to perform the procedures set out in the TP05 and as set out in Clause 3 below. The independent reporting accountants will submit the employer's final EOYC with their signed accountants' report directly to TP. These terms of engagement set out the basis on which the accountants will sign their report.

2. The Employer's responsibilities

- 2.1 The employer is responsible for completing the EOYC, maintaining proper records complying with the terms of any legislation or regulatory requirements and TP Regulations, and providing relevant information to TP and the reporting accountants on a basis in accordance with the requirements of TP. The employer is responsible for ensuring that the non-financial records can be reconciled to the financial records and the accuracy of the EOYC submission, and meeting the requirements of the TP Regulations.
- 2.2 The management of the employer will make available to the reporting accountants all records, correspondence, information and explanations that the accountants consider necessary to enable the accountants to perform the accountants' work.
- 2.3 The employer and TP accept that the ability of the reporting accountants to perform their work effectively depends upon the employer providing full and free access to the financial and other records and the employer shall procure that any such records held by a third party as are necessary for the purposes of the procedures described in the TP05 guidance are made available to the accountants.
- 2.4 The reporting accountants accept that, whether or not the employer meets its obligations, the accountants remain under an obligation to TP to perform their work with reasonable care. The failure by the employer to meet its obligations may cause the accountants to be unable to perform certain procedures, which will be set out in the accountants' report.
- 2.5 The Responsible Financial Officer is responsible for the completion of the EOYC in accordance with relevant TP guidance and for ensuring that the information in the EOYC is accurate.

3. Scope of the reporting accountants' work

- 3.1 The employer will provide the reporting accountants with such information, explanations and documentation that the accountants consider necessary to carry out their responsibilities. The reporting accountants will seek written representations from management where the specified procedures require the testing of matters for which independent corroboration is not available. The reporting accountants will also seek confirmation that any significant matters of which the accountants should be aware have been brought to the accountant's attention.
- 3.2 The reporting accountants will carry out an 'agreed-upon procedures' engagement in accordance with ISRS 4400 on the EOYC as set out in the TP05 guidance by performing the procedures set in Appendix 1 and will produce a factual findings report in the form set out in Appendix 3 and in accordance with Clause 4. TP is solely responsible for determining whether the scope of the agreed-upon procedures is sufficient for its purposes, and the form the report will take.
- 3.3 The reporting accountants will not subject the information provided by the employer to checking or verification except to the extent expressly set out in the agreed-upon procedures in Appendix 1. The agreed-upon procedures do not constitute an audit or review conducted in accordance with generally accepted auditing or review standards, the objective of which would be the expression of assurance on the contents of the EOYC. Accordingly, such assurance will not be expressed. If such additional procedures were performed or the reporting accountants had performed an audit or review of the EOYC in accordance with generally accepted auditing standards, other matters may have come to their attention that would be reported to the employer and TP. While the reporting accountants will perform their work with reasonable skill and care, the accountants' work should not be relied upon to disclose all misstatements, fraud or errors that might exist.

4. Form of the accountant's report

- 4.1 The reporting accountants' report is to be prepared on the following bases:
 - 4.1.1 The reporting accountants' report is prepared solely for the confidential use of the employer and TP and solely for the purpose of submission to TP in connection with the TP requirements set out in 'Reporting Accountant Guidance TP05 for the EOYC. They may not be relied upon by the employer or TP for any other purpose;
 - 4.1.2 Without imposing on the reporting accountants any duty or responsibility (assuming or being perceived as assuming) and without imposing or accepting any liability to anyone except the employer and TP, TP may disclose the report to others who demonstrate statutory rights of access to the report;
 - 4.1.3 Neither the employer, TP nor others may rely on any oral or draft reports the reporting accountants provide. The reporting accountants accept responsibility to the employer and TP for the accountant's final signed report only;

- 4.1.4 The report will be prepared solely for the confidential use of TP and the employer, and solely for the purpose of reporting factual findings on the EOYC return in accordance with TP05. The report shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without the reporting accountants' prior written consent.
- 4.1.5 To the fullest extent permitted by law, except for the employer and TP, the firm of reporting accountants, its partners and staff neither owe nor accept any duty to any person (including, without limitation, any person who may use or refer to any of TP publications) and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on the reporting accountants' work or reports; and
- 4.1.6 Clause 3.3 refers to the form of report. In the reporting of issues, as a minimum the reporting accountants should provide sufficient information by setting out the facts of the issue identified, cross reference to the EOYC and relevant TP05 guidance requirement, values and description to permit TP to make a decision on any subsequent action in relation to the employer for this scheme.
- 4.1.7 Factual findings set out within the report by the reporting accountant should set out the nature and value of any errors to TP, confirming whether or not these have been amended on the EOYC, in line with the guidance issued by TP. Employer explanations will be obtained and reported where exceptions are noted, with formal management representation in relation to the exceptions.

5. Liability provisions

5.1 The reporting accountants will perform the engagement with reasonable skill and care and accepts responsibility to the employer and Teachers' Pensions for losses, damages, costs or expenses ('losses') caused by its breach of contract, negligence or wilful misconduct, subject to the following provisions:

5.1.1 The reporting accountants will not be responsible or liable if such losses are due to the provision of false, misleading or incomplete information or documentation or due to the acts or omissions of any person other than the reporting accountants, except where it would have been reasonable for the accountants to discover such defects in the course of performing the agreed-upon procedure tests.

5.1.2 The reporting accountants accept liability without limit for the consequences of their own fraud and for any other liability which it is not permitted by law to limit or exclude.

5.1.3 Subject to the previous paragraph (5.1.2), the total aggregate liability of the accountant whether in contract, tort (including negligence) or otherwise, to the employer and TP, arising from or in connection with the work which is the subject of these terms (including any addition or variation to the work), shall not exceed the amount determined in accordance with the capping formula shown below. Reporting accountants shall maintain professional indemnity insurance cover commensurate with a claim of this size and nature.

<i>Amounts being reported on, in this return:</i>	<i>Proportion of amount</i>	<i>Total cap</i>
<i>Up to £1m</i>	<i>100%</i>	<i>Amount included in return</i>
<i>Between £1m and £5m</i>	<i>100% of first £1m + 50% of remainder</i>	<i>£1m + 50% of amount in excess of £1m</i>
<i>Between £5m and £15m</i>	<i>100% of first £1m + 50% of amount between £1m and £5m + 20% of remainder</i>	<i>£3m + 20% of amount in excess of £5m</i>
<i>Above £15M</i>	<i>Negotiate</i>	<i>Negotiate</i>

Note - TP will negotiate the comparatively rare returns above £15m on an individual basis and reporting accountants should contact TP via the email address shown in the guidance in advance of agreeing their engagement letter with their client to discuss such cases.

5.2 The employer and TP agree that they will not bring any claims or proceedings against any individual partners, members, directors or employees of the reporting accountants. This clause is intended to benefit such partners, members, directors and employees who may enforce this clause pursuant to the Contracts (Rights of Third Parties) Act 1999 ('the Act'). Notwithstanding any benefits or rights conferred by this agreement on any third party by virtue of the Act, the parties to this agreement may agree to vary or rescind this agreement without any third party's consent. Other than as expressly provided in these terms, the Act is excluded.

- 5.3 Any claims, whether in contract, negligence or otherwise, must be formally commenced within 2 years after the party bringing the claim becomes aware (or ought reasonably to have become aware) of the facts which give rise to the action and in any event no later than 4 years after relevant report was issued (or, if no report was issued, when the accountant accepted the engagement in writing). This expressly overrides any statutory provision which would otherwise apply.
- 5.4 This engagement is separate from and unrelated to the reporting accountants' audit work on the financial statements or any other work or reviews of the employer for the purposes of any applicable statutory or regulatory or other auditing framework and nothing herein creates obligations or liabilities regarding the reporting accountants' audit work or audit reports which would not otherwise exist.

APPENDIX C: GENERAL TERMS AND CONDITIONS OF BUSINESS

1. About Us

- 1.1 Hillier Hopkins LLP is a limited liability partnership registered in England and Wales. Its registered number is OC303707 and its registered office is Radius House, 51 Clarendon Road, Watford, Hertfordshire, WD17 1HP. Hillier Hopkins LLP is referred to in these General Terms and Conditions of Business and elsewhere in the "Engagement Terms" as "The Firm", "We", "Us" or "Our".

2. Scope and Interpretation

- 2.1 The scope of our work and our liability to "You" in respect of any "Engagement" will be set out in the relevant Engagement Terms within our "Engagement Pack", which incorporates these General Terms and Conditions of Business. To the extent that any of the Engagement Terms of our specific Engagements as set out in the "Specific Services Appendices" conflict with these General Terms and Conditions of Business, the former shall prevail. In addition to the applicable Engagement Pack terms applying, to the extent that you use our website for providing information to us or accessing Specific Services from us, you agree that the Website Terms and Conditions on our Website also apply.

3. Jurisdiction and Governing Law

- 3.1 Our Engagement Letter, Schedules of Services, "Privacy Notice" and Standard Terms and Conditions of Business are governed by, and should be construed in accordance with, English law. Each party agrees that the courts of England will have exclusive legal jurisdiction in relation to any claim, dispute or difference concerning this Engagement Letter and any matter arising from it on any basis. Each party irrevocably waives any right to object to any action being brought in those courts, or to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have the appropriate jurisdiction.
- 3.2 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 in "Your" circumstances. 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.

4. Professional Rules and Statutory Obligations

- 4.1 We will observe and act in accordance with the byelaws, regulations and Code of Ethics of the Institute of Chartered Accountants in England and Wales (ICAEW) and will only accept instructions to act for you on this basis. You give us the authority to correct errors made by HMRC where we become aware of them. We will not be liable for loss, damage or cost arising from our compliance with statutory or regulatory obligations. These requirements can be accessed online at: www.icaew.com/en/membership/regulations-standards-and-guidance/ethics.
- 4.2 We confirm that we are statutory auditors eligible to conduct audits under the Companies Act 2006. When conducting audit work, we are required to comply with the Ethical and Auditing Standards issued by the FRC, which can be accessed online at: www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors.aspx.
- 4.3 We are also required to comply with the Audit Regulations and Guidance which can be accessed online at: www.icaew.com/technical/audit-and-assurance/working-in-the-regulated-area-of-audit.

5. Provision of Services Regulations 2009

- 5.1 We are registered to carry on audit work in the UK by the ICAEW. Details about our audit registration can be accessed online at www.auditregister.org.uk.
- 5.2 Our professional indemnity insurer is Axis Specialty Europe SE, 52 Lime Street, London, EC3M 7AF. The territorial coverage is worldwide but with some coverage restrictions on claims brought in the USA or Canada.

6. Client Identification

- 6.1 As with other professional services firms, we are required to identify our "Clients" for the purposes of the UK anti-money laundering legislation. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

7. Fees

- 7.1 Our fees are based on the levels of skill and responsibility involved and the time spent on your affairs. Disbursements represent travel, accommodation and other expenses incurred in dealing with your affairs. The Fees are in return for our provision of services, but we do not guarantee that any particular advice within our Services will achieve any particular result.
- 7.2 Any fixed fees, or estimates that we give for our fees are based on our best understanding of what is involved and on assumptions that we will have mentioned to you in writing or email. Additional charges may apply if the instructions or circumstances change, or if the matter is more complex than had been originally envisaged or if there is additional follow-up work. Fees may, by separate agreement, be fixed annually in advance in which case they will be payable by monthly standing order. Otherwise, our fees will be:
- charged separately for each of the main classes of work;
 - billed on account as the work progresses where amounts exceed £1,000; and
 - subject to VAT and disbursements (where applicable).
- 7.3 Fees (including disbursements), other than those payable by standing order, are payable in cleared funds within 14 days of the presentation of the fee note. If fees or disbursements are settled late, we reserve the right to suspend provision of any Services and/or charge interest on the amount due but unpaid at the annual rate of interest of 8% above Bank of England base rate under the Late Payment of Commercial Debts (Interest) Act 1998. Such interest is to run from day to day and compounded monthly. It is our policy that we will not start any work until overdue fees (including disbursements) have been settled. We reserve the right to use debt collection services whose charges will be added to the amount outstanding.
- 7.4 If it becomes necessary for us to withdraw from the Engagement for any reason, our fees for work performed up to that date and disbursements incurred will be payable. In the case of annual fixed fee arrangements, payable by standing order, we reserve the right, in the event of early termination, to recover the balance of the full annual fee unpaid at the date of termination.

- 8. Lien**
- 8.1 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. Commissions**
- 9.1 In some circumstances, commissions or other benefits may become payable to us in respect of transactions we arrange for you, in which case you will be notified in writing of the amount and terms of payment. You consent to such commission or other benefit being retained by us. The fees that would otherwise be payable by you as described above will, for administration reasons, only be abated by any individual commission payment in excess of £100. In the event that you terminate any contract giving rise to commission at an early stage in its operation, we may have to repay all or part of the commission to the product provider. You may be liable to contribute to any such repayment.
- 10. Information Provided by You**
- 10.1 You agree to promptly provide us with all necessary documentation and information required in order to enable us to complete the Services as specified in our Specific Services Appendices, or other Services as may be agreed.
- 10.2 You confirm that the information provided to us will be full, complete, accurate and up-to-date and you acknowledge that we may rely upon it.
- 10.3 If you do not provide us with the prompt, full, complete, accurate and up-to-date information as requested or required by us, this may affect our ability to provide the Specific Services within a particular timeframe or at all. To the extent permitted by law, we shall not have any liability resulting from any errors, failure or delays by you in this regard.
- 11. Confidentiality and Publicity**
- 11.1 Unless we are authorised by you to disclose information we confirm that if you give us confidential information we will, at all times during and after this Engagement, keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable to us or our Engagement.
- 11.2 You agree that, if we act for other clients who are or who become your competitors, to comply with our duty of confidentiality it will be sufficient for us to take appropriate steps to preserve the confidentiality of information given to us by you, both during and after this Engagement. In addition, if we act for other clients whose interests are or may be adverse to yours, we will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate teams, physical separation, and separate arrangements for storage of, and access to, information. You agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid confidentiality being breached.
- 11.3 We may, on occasions, sub-contract work on your affairs to other tax or accounting professionals. The sub-contractors will be bound by our client confidentiality terms. Where appropriate, if we use external or cloud based systems, we will ensure the confidentiality of your information is maintained.
- 11.4 If we wish to use in our publicity your name, logo and description of engagement, we will always seek your prior consent.
- 12. Conflicts of Interest**
- 12.1 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, unless we are unable to do so because of our confidentiality obligations. We have safeguards that can be implemented to protect the interests of different clients if a conflict arises. If conflicts are identified which cannot be managed in a way that protects your interests, we regret that we will be unable to provide further Services.
- 12.2 If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, we will adopt those safeguards. In resolving the conflict, we would be guided by the ICAEW's Code of Ethics, which can be accessed online at www.icaew.com/en/membership/regulations-standards-and-guidance/ethics.
- 13. Quality Control**
- 13.1 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.
- 13.2 When dealing with HMRC on your behalf we are required to be honest and to take reasonable care to ensure that your returns are correct. To enable us to do this, you are required to be honest with us and to provide us with all necessary information in a timely manner. Your HMRC Charter can be accessed online at www.gov.uk/government/publications/your-charter.
- 14. Delay**
- 14.1 We shall use our reasonable endeavours to provide prompt advice, but timeframes for delivery of Services are estimates. In addition, we shall not be responsible for any delay to the performance of any Services, where such delay is caused by any matter beyond our reasonable control (including, but not limited to, your failure to provide, in a timely manner, the information referred to in the section "Information Provided by You" above).
- 15. Electronic Communications**
- 15.1 Unless you instruct us otherwise, we will, communicate with you and with third parties by email or other electronic means. The recipient is responsible for virus checking emails and any attachments.
- 15.2 With electronic communication, there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted in emails or by electronic storage devices. Nevertheless, electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses or for communications which are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication, especially in relation to commercially sensitive material. These are risks you must bear in return for greater efficiency and lower costs. If you do not wish to accept these risks, please let us know and we will communicate by post, other than when electronic submission is mandatory.
- 15.3 Any communication from us to you sent through the postal system is deemed to arrive at your postal address two working days after the day the document was sent.

16. Period of Engagement and Termination

16.1 Unless otherwise agreed in our Engagement Letter, our work will begin when we receive implicit or explicit acceptance of that letter. Unless otherwise stated in our Engagement Letter we will not be responsible for periods before that date.

16.2 Each of us may terminate our agreement by giving not less than 21 days' notice in writing to the other party. However if you fail to cooperate with us or we have reason to believe that you have provided misleading information we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us before termination.

16.3 We reserve the right to terminate the Engagement between us with immediate effect in the event of:

- your insolvency, your bankruptcy or other arrangement being reached with creditors;
- an independence issue or change in the law which means we can no longer act;
- failure to pay our fees by the due dates; or
- either party being in breach of their obligations if this is not corrected within 30 days of being asked to do so.

16.4 In the event of termination of our contract, we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we will not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

17. Data Protection

17.1 We will obtain and "Process" "Personal Data" in accordance with the "Data Protection Legislation" and our "Privacy Notice".

17.2 We shall each be considered an independent data "Controller" in relation to "Client Personal Data". Each of us will comply with all requirements and obligations applicable to us as such under the Data Protection Legislation in respect of the Client Personal Data.

17.3 You shall only disclose Client Personal Data to us where:

- you have provided the necessary information to the relevant "Data Subject" regarding its use (and we shall provide you with such information as you might reasonably require to allow you to do so);
- 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
- you have complied with the necessary requirements under the Data Protection Legislation to enable you to do so.

17.4 Upon the reasonable request of the other, we shall each cooperate with the other and take such reasonable 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.

17.5 We have implemented and shall maintain appropriate technical and organisational measures in accordance with Articles 24 and 25 of the GDPR in respect of Client Personal Data. Where we instruct other parties to Process Client Personal Data on our behalf, we shall ensure that such Processor is appointed on terms that comply with Article 28 of the GDPR and any other requirements as to the appointment of Processors under the Data Protection Legislation.

17.6 We shall not Process Client Personal Data other than for the Permitted Purposes.

17.7 In respect of Client Personal Data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:

- 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;
- 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 (for example, the UK's Information Commissioner's Officer); or
- we reasonably believe that there has been an incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of Client Personal Data.

17.8 In the event that we are required to notify the Information Commissioner's Office or a Data Subject of a Personal Data Breach, we shall make such notification without undue delay and, where feasible, within 72 hours of becoming aware of the Personal Data Breach. We shall provide you with a copy of the notification in advance where it is reasonably practicable to do so or otherwise promptly afterwards, so long as doing so is not inconsistent with our legal duties.

17.9 Should you require any further details regarding our treatment of personal data, please contact our Data Protection Manager in writing at Hillier Hopkins LLP, Radius House, 51 Clarendon Road, Watford, Hertfordshire, WD17 1HP or via email to DPManager@hhllp.co.uk.

18. File Destruction

18.1 You have a legal responsibility to retain documents and records relevant to your financial affairs. During the course of our work we may collect information from you and others relevant to your tax and financial affairs. We will return any original documents to you (if requested). Documents and records relevant to your tax affairs are required by law to be retained for minimum periods. These minimum periods can be accessed online at www.gov.uk.

18.2 We will retain your records for the duration of our Engagement with you under contract. After any termination of the contract between us we will hold your records for the legal or regulatory minimum periods required. We also reserve the right to retain data for longer than this due to the possibility that it may be required to be provided to a regulator outside of these minimum periods.

19. Reliance on Advice

19.1 We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for example, during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing.

20. Assignment and Sub-Licensing

20.1 You shall not, or purport to, assign, transfer, novate, charge or sub-license the Engagement or any of your rights, liabilities or obligations under this Agreement without our prior written consent.

21. Limitation of Liability

21.1 **Information and Delay:** We will provide our professional services with reasonable care and skill. However we will not be held responsible or liable for any losses to the extent that these are caused by the supply by you or others on your behalf (other than our representatives) of late, incorrect, out-of-date or incomplete information, or your or others failure or delay in supplying any appropriate information or any failure to act on our advice or respond promptly to communications from us or relevant authorities.

21.2 **Scope:** We shall be responsible for providing the Specific Services as set out in these Engagement Terms, but not for anything else unless we have specifically agreed to provide it or advise on it. However, there may be further follow-on work from the initial instructions which we agree to provide (and for which we may charge) which shall be deemed to form part of the Specific Services.

21.3 **Liability Limit:** Although it is not acceptable for accountants to attempt to exclude all liability to their clients, we may limit our liability in respect of the Specific Services or any Services that we provide (whether or not under a specific Engagement).

Liability for the following cannot and will not be limited by us:

- criminal, dishonest or fraudulent acts or omissions on our behalf;
- reckless disregard of professional obligations;
- personal injury or death due to our negligence;
- misrepresentation as to fraud or a fundamental matter;
- statutory audit Specific Services;
- any other matter which we cannot by law exclude or limit.

21.4 Except for the above unless it has been otherwise expressly agreed with you in writing, you agree, by signing any Specific Services Appendix or otherwise instructing us to proceed with acting for you or providing any Services to you, that our aggregate liability arising out of or in connection with any claims in respect of any acts, omissions and delays for all Services or work done and any other Services or work that we agree:

- within any twelve month period to provide to you, in aggregate, whether under Engagements or not, may not under any circumstances exceed the sum that represents the greater of:
 - (i) £1,000,000; or
 - (ii) ten times the total fees paid by you to us under all Engagements in aggregate within that twelve month period.
- This limit applies under all legal heads of claim in aggregate (for example, without limitation, under contract law, tort, negligence, misrepresentation, restitution or otherwise). You also agree that this term of our Engagement is fair and reasonable having regard to the relevant circumstances.

21.5 **Limitation of Third Party Rights:** The advice and information we provide to you as part of our service is for your sole use, and not for any third party to whom you may communicate it to, unless we have expressly agreed in the Engagement Letter that a specified third party may rely on our work. We accept no responsibility to third parties, including any group company to whom the Engagement Letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. A party to this agreement is the only person who has the right to enforce any of its terms. No rights or benefits are conferred on any third party under the Contracts (Rights of Third Parties) Act 1999.

21.6 **Proportionality:** In respect of all Services (other than statutory audits under the Companies Act 2006) our liability for any damages or losses (including interest and costs) ('the Total Damage') suffered or incurred by the addressee(s) of this letter shall be limited to the proportion of 'the Total Damage' which may be justly and equitably attributed to us after taking into account the contributory negligence (if any) of the addressee(s) and any other third party found to be liable to contribute to the Total Damage pursuant to the Civil Liability (Contribution) Act 1978.

21.7 **Claims and Our Staff:** Having regard to our interest in limiting the personal liability and exposure to litigation of our members, principals, employees and consultants, you agree that the members, principals, employees and consultants of the firm are not assuming a relationship of personal responsibility so as to create a special relationship. Instead, they are acting as agents for the firm. Accordingly, you agree that they shall not have any personal liability (whether under contract law, tort, negligence, misrepresentation, restitution or otherwise) and you agree not to bring any claim of any kind against any of our members, principals, employees and consultants personally (but this will not exclude our liability as a firm for acts or omissions of them performed under our supervision or within the scope of the relevant members', principals', employees' and consultants' contracts with us).

21.8 If, despite the statements in the "Claims and Our Staff" section, any of our members, principals, employees and consultants are deemed by a court of competent jurisdiction to have personal liability to you, our liability and their liability, in aggregate, will not exceed the limit on our own liability to you under the section above "Limitation of Liability". It is agreed that our members, principals, employees and consultants shall have the right to enforce the benefits of this clause pursuant to the Contracts (Rights of Third Parties) Act 1999.

22. Complaints

22.1 We try to ensure that your affairs are handled by us in the most efficient way possible. If you are dissatisfied with any part of our service please tell us. If you have a complaint about any aspect of our service, which cannot be resolved to your satisfaction, the circumstances of your complaint should be brought to the attention of our Compliance Principal by email complaints@hhllp.co.uk or by telephone 01923 232938.

22.2 We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction, you may take up the matter with our professional body, the ICAEW, at Metropolitan House, 321 Avebury Boulevard, Milton Keynes MK9 2FZ

22.3 You agree that you will not take action or commence any proceedings against us without first addressing your complaint to us in accordance with these complaints procedures.

23. Intellectual Property

23.1 We will retain all intellectual property rights in any document prepared by us during the course of carrying out the Engagement except where the law specifically states otherwise.

23.2 You are not permitted to use our name in any statement or document 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.

24. Non-Competition

24.1 We and you each agree with the other that, during the period of the Engagement and for a period of twelve months following termination or expiry of the Engagement, not to (directly or indirectly, itself or with or through a third party) solicit or induce any member, principal, employee and consultant, of the other who was involved with the provision or receipt of the Services to terminate their employment or Engagement with that other without the prior written consent of that other. Any general recruitment advertisement shall not be deemed to be solicitation for the purposes of this section.

24.2 Where there is a breach of this term and employment is offered, the party in breach will be liable to pay damages equal to six months of the person's base monthly average salary from their current employer to the other party.

25. Client Monies

25.1 We may, from time to time, hold money on your behalf. The money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated in accordance with the ICAEW's Clients' Money Regulations.

25.2 We will generally pay interest to you on any money we hold. However to avoid an excessive amount of administration, interest on non-designated accounts will only be paid if greater than £50 per annum. 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 designated account. All interest earned on such money will be paid to you after the appropriate tax deductions.

25.3 We will return monies held on your behalf promptly, as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are unclaimed, and the client to which they relate has remained untraced for five years, or we as a firm cease to practise, we may pay those monies to a registered charity.

26. Severability

26.1 Should any of the Engagement Terms (including these General Terms and Conditions of Business) be declared void, illegal or otherwise unenforceable, the remainder shall survive unaffected.

27. Definitions

27.1 "**Client**", "**Your**", "**You**" means the person, firm, company, legal entity or organisation to whom our Engagement is addressed and to whom the Services are provided.

27.2 "**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 Engagement Letter with you.

27.3 "**Controller**", "**Data Subject**", "**Personal Data**", "**Personal Data Breach**", and "**Supervisory Authority**" shall have the meanings given to them in the Data Protection Legislation, as shall "**Processing**" (with cognate terms such as "**Process**" and "**Processed**" being construed accordingly).

27.4 "**Data Protection Legislation**" means all applicable privacy and data protection legislation including Privacy and Electronic Communications Regulations 2003 (SI 2426/2003), the General Data Protection Regulation (EU 2016/679), the Data Protection Act 2018 and any other applicable national laws 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.

27.5 "**Engagement**" means the agreement between us for the provision of particular Specific Services upon the Engagement Terms or any written variation thereto agreed between us.

27.6 "**Engagement Pack**" means the documents between you and us in respect of Specific Services, being the Specific Services Appendices for the particular Specific Services, any Engagement Letters that accompany those Specific Services Appendices covering the detail of the Specific Services we are to provide, these General Terms and Conditions of Business, our Privacy Notice and any other document that is referred to in those Engagement Letters. What constitutes the Engagement Pack may expand as we agree further Service Appendices from time to time, so as to incorporate the terms of those further Service Appendices and their respective covering Engagement Letters.

27.7 "**Engagement Terms**" means the terms contained (or referred to) in our Engagement Pack (of which these General Terms and Conditions of Business form part) which relate to the particular Specific Services (and not any other Specific Services), including the relevant Specific Services Appendices.

27.8 "**Permitted Purposes**" means to provide the Services or such other services as we may from time to time be instructed by you to perform, or insofar as is necessary for us to comply with the legal, regulatory and/or professional obligations that apply to us.

27.9 "**Privacy Notice**" means the terms contained (or referred to) in our Privacy Notice, setting out our legal obligations under Data Protection Legislation.

27.10 "**Supervisory Authority**" means any competent regulatory authority responsible for monitoring the application of the Data Protection Legislation, including but not limited to the UK Information Commissioner's Office.

27.11 "**Services**" or "**Specific Services**" shall mean the Services and associated reports and advice (or any part of them) to be provided by us as described or referred to in the relevant Specific Services Appendices and its accompanying Engagement Letter, or as otherwise agreed between us in writing. We may from time to time bring to your attention or advise on various matters, but we will not be responsible in respect of these areas unless specifically instructed.

27.12 "**Specific Services Appendices**" means the detailed appendices that sets out particular Services that we are to provide as well the specific respective rights and responsibilities of you and us in relation to those Services. These appendices should be read in conjunction with these "General Terms and Conditions of Business" as well as any covering letter accompanying them.

Issued 31st March 2021

APPENDIX D: PRIVACY NOTICE

1. Introduction

1.1 This policy sets out the basis on which any personal data we collect from you, or that you provide to us, will be processed by us. Please read the following carefully to understand our views and practices regarding your personal data and how we will treat it.

1.2 Hillier Hopkins LLP is a limited liability partnership registered in England and Wales. Its registered number is OC303707 and its registered office is Radius House, 51 Clarendon Road, Watford, Hertfordshire, WD17 1HP.

1.3 We confirm when processing data on your behalf that we will comply with the relevant provisions of the Data Protection Legislation. You will also ensure that any disclosure of personal data to us complies with the Data Protection Legislation.

2. Information We Collect and Why We Use it

2.1 Personal data is principally collected and processed when supplied by you in the course of our engagement with you under contract. To fulfil our obligations in respect of prevention of money laundering and other financial crime we may send your details to third party agencies for identity verification purposes.

2.2 The personal information we collect from you will vary depending on services engaged. The personal information we collect might include your name, address, telephone number, email address, your Unique Tax Reference (UTR) number, your National Insurance number, bank account details, your IP address, which pages you may have visited on our website and when you accessed them.

2.3 In general terms, and depending on which services you engage as part of providing our agreed services we may use your information to:

- contact you by post, portal, email or telephone;
- verify your identity where this is required;
- understand your needs and how they may be met;
- maintain our records in accordance with applicable legal and regulatory obligations;
- process financial transactions;
- prevent and detect crime, fraud or corruption.

2.4 We would like to keep you informed with important updates, our related services, our opinions and essential reading. We'll also make sure you get advance notice of our events and we will only do this when you have given your explicit consent.

3. Obligation on You When Passing on Personal Data

3.1 If any of the details submitted for processing change, it is your responsibility to inform us so that we can update our records as soon as practically possible.

4. Your Rights

4.1 **Access to your information:** You have the right to request a copy of your personal information we hold.

4.2 **Correcting your information:** We want to make sure that your personal information is accurate, complete and up to date and you can ask us to correct any personal information about you that you believe does not meet these standards.

4.3 **Deletion of your information:** You have the right to ask us to delete personal information about you where:

- you consider that we no longer require the information for the purposes for which it was obtained;
- you have validly objected to our use of your personal information;
- our use of your personal information is contrary to law or our other legal obligations;
- you have withdrawn your consent.

4.4 **Restricting how we may use your information:** In some cases you may ask us to restrict how we use your personal information. This right might apply, for example, where we are checking the accuracy of personal information about you that we hold or assessing the validity of any objection you have made to our use of your information. The right might also apply where there is no longer a basis for using your personal information but you do not want us to delete the data. Where this right is validly exercised, we may only use the relevant personal information with your consent, for legal claims or where there are other public interest grounds to do so.

4.5 **Objecting to how we may use your information:** Where we use your personal information to perform tasks carried out in the public interest then, if you ask us to, we will stop using that personal information unless there are overriding legitimate grounds to continue. You have the right at any time to require us to stop using your personal information for direct marketing purposes.

4.6 **Withdrawing consent to use your information:** Where we use your personal information with your consent you may withdraw that consent at any time and we will stop using your personal information for the purpose(s) for which consent was given.

4.7 If you have a concern about the way we are collecting or using your personal data, we request that you raise your concern with us in the first instance. Requests must be made in writing via the Data Protection Manager at Hillier Hopkins LLP, Radius House, 51 Clarendon Road, Watford, Herts, WD17 1HP or via email to DPManager@hhllp.co.uk.

4.8 Alternatively, you can contact the Information Commissioner's Office at <https://ico.org.uk/concerns>.

5. Disclosure of Your Information

5.1 We may share your personal data within the Firm for the purposes of performing the services contracted and, where consented, business updates and marketing activities.

5.2 We will not sell or rent your information to third parties.

5.3 We may pass your information to our third party service providers, agents, subcontractors and other associated organisations for the purposes of completing tasks and providing services to you on our behalf, for example to process basic bookkeeping. However, when we use third party service providers, we disclose only the information that is necessary to deliver the service. Contractually information is kept secure and used only for the purposes of delivering the required service.

5.4 We will not release your information to other third parties unless you have requested that we do so, or we are required to do so by law, for example, by a court order or for the purposes of prevention and detection of crime, fraud or corruption.

6. Security of Data

- 6.1 We take the security of your data seriously. All of our systems have appropriate security in place that complies with all applicable legislative and regulatory requirements. Whilst we strive to protect your personal information, we cannot guarantee the security of any information you transmit to us, and you do so at your own risk. Where we have given, or where you have chosen, a password which enables you to access information, you are responsible for keeping this password confidential. We ask you not to share your password with anyone.

7. Retention of Records

- 7.1 We will retain your personal data for as long as necessary to achieve the purposes set out in this Privacy Notice. You have a legal responsibility to retain documents and records relevant to your financial affairs.
- 7.2 We will retain your records for the duration of our engagement with you under contract. After any termination of the contract between us we will hold your records for the legal or regulatory minimum periods required. We also reserve the right to retain data for longer than this due to the possibility that it may be required to be provided to a regulator outside of these minimum periods.
- 7.3 Records held for the purpose of business updates are held until such time that notice of consent is revoked.

8. Changes to Our Privacy Notice

- 8.1 We keep this privacy notice under regular review. This privacy notice was last updated on 1st May 2018.