

Competex Fees

VAT is charged at the standard rate on all Competex fees

We provide a standard all-inclusive accounting package for all our clients, based on the principle of a single fee-earner who is the shareholder, director, and employee of the company.

Standard fees

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| Company formation and initial compliance work | £65 |
| • Transfer from previous accountant (or from self) and initial compliance work | £65 |
| Accounts fee for a single fee-earner – per accounting period (note 1) | £1,200 |
| • Reduced fee for companies with only one active quarter–per accounting period (note 2) | £800 |
| • Reduced fee for fully inactive companies – per accounting period (note 2) | £600 |
| • Reduced fee for fully dormant companies – per accounting period (note 2) | £300 |

For the majority of our clients these are the only fees that they need to pay

If you require any individual services that fall outside our standard service, or for which direct costs are incurred by Competex, there will be an additional fee.

Additional fees and discounts

Accounts

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| One-off fee for an accounting period of over 12 months (note 3) | £150 |
| Annual fee for second fee-earner and certain employees (note 4) | £600 |
| Monthly licence fee for using online bookkeeping software while dormant | £15 |
| One-off fee for submitting an online VAT return using client prepared figures | £30 |
| Hourly fee for bookkeeping work | £90 |
| Hourly fee for processing non-standard quarterly accounts information (note 5) | £90 |
| Hourly fee for handling HMRC compliance visits (note 6) | £90 |
| One-off fee for completion of a P11D for a non-fee-earner (note 7) | £60 |
| Late delivery of accounting information for critical deadlines (note 8) | £150 |

Payroll

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| Additional timetabled pay runs (note 9) | £20 |
| Salary run outside the published timetable (note 10) | £40 |
| Conversion to same-day value transfer (note 10) | £25 |
| Additions & amendments to salary processed after year-end deadline (note 11) | £100 |
| Employment Allowance claims, including retrospective claims – per year (note 12) | £100 |
| Auto Enrolment module – first year (note 13) | £300 |
| Auto Enrolment module – subsequent years (note 13) | £120 |
| P60 - hard copy or emailed as an attachment (note 14) | £10 |
| Cancellation of Employment Allowance after deductions already made | £100 |

Dividends

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| Fee for handling third and subsequent dividends (note 15) | £25 |
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Personal tax

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| Completion of personal self-assessment tax returns (note 16) | from £250 |
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Insurances and anti-identity-theft

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| HMRC investigation fee protection scheme (per annum) (note 17) | £150 |
| Provision of director's service address (per annum/per address) (note 18) | £120 |

Company secretarial

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| Change of directorship | £75 |
| Change of shareholding | £75 |
| Change of company name | £75 |
| Administration fee in the case of liquidation | £80 |
| Strike off (covers all compliance issues) | £80 |

Fees relating to Employment Allowance and Auto Enrolment are only applicable if you are eligible. Clients are advised to participate in the insurances and anti-identity-theft schemes. New clients usually benefit from having us complete and file their personal tax return, particularly in their first year as an independent professional.

Notes to Fee schedule

Note 1 – Active accounts fee

The accounts fee includes the cost of using our online bookkeeping package powered by FreeAgent (or our Excel quarterly return spreadsheets), preparation and submission of statutory accounts and the associated corporation tax return, full paperwork for two dividends (if not using Competex FreeAgent), full monthly payroll administration, preparation of form P11D (for the fee-earner), Companies House annual return, and for assisting in all other related matters in any one accounting period.

Note 2 - Definitions

- **Dormant (since incorporation)** - A company is dormant if it has never traded since it was incorporated. In this case there will be no transactions of any sort.
(Reduced fees are available if the company has been dormant for the entire accounting period since incorporation)
- **Active** - A company is active if it has income and is trading to a greater or lesser extent.
- **Inactive** - A company is inactive if it has previously been active, but is not currently trading. It will have received no income and paid no salary, but may have paid dividends and/or personal expenses. You may be between assignments, returning into a permanent job with full employment rights, accepting an assignment working on your client's payroll, or simply not working for a long period of time.
Reduced fees are available if the company has been inactive for three out of the four calendar quarters in the accounting period.

Note 3 – Long accounting periods

In this instance it is necessary to prepare and submit two corporation tax computations and returns to HMRC.

Note 4 - Additional fee-earners

This additional fee is payable where expenses are paid to a non-fee earner. It is payable in quarterly instalments, as per the payment schedule for the main fee earner set out below.

Note 5 - Processing non-standard quarterly accounts returns

The vast majority of our clients use either our online bookkeeping package powered by FreeAgent or our electronic spreadsheets to send in their accounts information. In either case there is no separate charge. However, extra bookkeeping time is usually required to process clients' own spreadsheets, own bookkeeping package, processing data submitted on paper forms, and handling clients' invoices and receipts.

We may therefore charge a supplementary accounting fee to process accounting information received in non-standard format. This fee is based on additional time spent and will be invoiced and payable when the input is processed. Advice will be given to minimise the impact of such charges.

Note 6 - Handling HMRC compliance visits

HMRC enquiries often follow late filing of VAT returns and late payment of corporation tax, but there may be other reasons for investigation. Clients are advised to participate in our HMRC investigation fee protection scheme (see note 17), but for those clients who choose not to be covered by this scheme we will charge a fee for handling such enquiries based on time spent. This will be invoiced on completion of the enquiry.

Note 7 - Expenses paid to a non-fee earner

We recommend that all expenses are claimed by the fee earner, rather than by a non-fee earner. If a non-fee earner claims expenses we will need to complete a P11D for that individual and an additional fee will be required and will be invoiced after the P11D has been submitted.

Note 8 – Late delivery of accounting information

If need be, we will chase you for accounting information in the lead up to critical deadlines. If we have chased you twice, and the relevant information reaches us less than two weeks before a critical deadline or after the deadline, we will charge an additional accounting fee. The critical deadlines are for annual accounts, forms P11D, and personal tax.

Note 9 - Additional timetabled pay runs

We operate 4 payroll runs each month, according to a fixed payroll timetable, for you and for one other employee if required. You may be included on 13 pay runs each tax year (one per month and an additional run in March). Any employees you may have will need to be paid on the same run.

Note 10 - Exceptional salary payment

An exceptional salary payment charge is made in the event that you require payroll processing outside of the normal timetabled runs. Net pay will be credited to your personal account two days later. This includes full RTI compliance. In the event that you require an immediate same day payment, an additional conversion charge will be made.

Note 11 - Late additions to March salary

All salaries for 2016/17 need to be processed and paid by the 5th April 2017. The only exception to this is for those clients who receive IR35 income late in the tax year. For these clients there will be two additional pay runs (7th and 14th April 2017). For non IR35 salary processed after our last March pay run on the 3rd April 2017, or IR35 salary processed after the 14th April, we will charge for an exceptional pay run and Earlier Year Update.

Note 12 - Employment Allowance

From April 2014, most businesses have been entitled to an annual Employment Allowance to reduce their liability for Employers Class 1 NI. From April 2016 the Employment Allowance has been increased to £3,000 per annum, but companies where the director is the sole employee will not be able to claim. Companies who pay two directors or employees above the secondary NI threshold and do not carry out more than 50% of their work in or for the public sector (excluding supplying IT services for a government department or local council) will be eligible for the Employment Allowance.

You should note that paying director's remuneration to a second director, as opposed to paying an employee for employment duties, does not make a company liable for Auto Enrolment duties (see note 13).

Note 13 - Auto Enrolment

Auto Enrolment is a government initiative designed to help people save for their retirement, which means most employers in the UK have a duty to enrol their employees into a pension scheme and contribute towards it. Auto enrolment is mandatory for eligible employers and there are strict penalties for non-compliance. Competex offers an Auto Enrolment module, which will be in addition to our standard payroll service. This includes advice on your Auto Enrolment duties, assessing your staff, calculating contributions, providing compulsory staff communications and processing opt outs, opt ins, postponements and joiners and leavers.

The first year charge includes the setting up charge. Subsequent year charges are for those making Auto Enrolment contributions. There is no charge for those companies that do not make any contributions within a tax year (after the first year).

Note 14 – Copy of form P60

The annual P60 is available to download free from our online payroll system. This charge is only payable if a paper copy or an email copy is required.

Note 15 - Dividend paperwork

Our basic accounts fee includes the cost of preparing paperwork and processing up to two dividends in each accounting year, if required. We charge a fee for the third and each subsequent dividend payment in any accounting period. These will be invoiced and payable when the dividend paperwork is sent to you. If you are using the FreeAgent bookkeeping software there will be no charge as the paperwork will be generated within FreeAgent.

Note 16 - Self-assessment tax returns

All company directors are required to complete a self-assessment tax return and include an employment page for that particular employment, regardless of whether there is any related income.

In the tax year when you leave full-time permanent employment, your tax return may be more complicated than normal. You may have unusual amounts of income, small amounts of income earned as a sole trader and items in your tax code that are no longer appropriate.

Our fees for completing a tax return start at £250 where the individual has only one main source of income. If you are interested in this service please contact us for a quote.

Note 17 - HMRC investigation fee protection scheme

HMRC have been given new powers to request information and to make visits in connection with both company and personal tax affairs, and consequently the number of companies and individuals whose returns will be disputed and who may then be investigated, regardless of their size and income status, is increasing.

HMRC have also recently established a number of offices around the country specifically tasked to address the avoidance of National Insurance, and there is a significant increase in the number of enquiries relating to IR35.

In response to this, Competex has entered into an arrangement with Taxwise Ltd to provide specialist tax support cover to participating clients in the event of an HMRC investigation. Clients wishing to participate in this scheme should contact Competex and not Taxwise.

Note 18 – Director’s Service Address

We offer to use our office address as your “Director’s Service Address”. This removes your home address from the public register at Companies House, gives you complete privacy, prevents unwanted mail and intrusive contact originating from this source, and reduces the likelihood of identity theft originating from the Companies House database.

Clients should continue to use their home address as their normal business address for all other purposes.

Fee paying options and change of “status”

Accounting periods

The first accounting period will run from the date of incorporation to the end of the calendar quarter immediately prior to the first anniversary of the date of incorporation. Thereafter, each accounting period will normally run for a period of twelve months.

Arrangements for charging and paying fees

Dormant accounts fees, active accounts fees and inactive accounts fees are payable quarterly, in advance by standing order at the start of each calendar quarter. These quarterly payments are on account of the total fee due for the whole accounting period. When companies move from being dormant to being active, or from being active to being inactive, we will adjust the quarterly fees if appropriate so that the correct total charge will have been paid by the end of the accounting period. Please note that in some circumstances this may involve a retrospective charge for earlier quarters.

Fees for additional services will be invoiced either at the time of providing the service, or quarterly or annually, depending on the service provided.

Please note that all fees will be charged in accordance with the Competex fees notice applicable at the time of charging. Also, we may need to add to or amend our fee structure to take account of legislative changes.

Moving from being dormant to actively trading

It is important that you notify us immediately when your company starts actively trading. There are compliance issues that must be attended to in order to avoid HMRC penalties.

When you are actively trading we will require a return for each quarter, or if you are using FreeAgent we will need you to keep this software continually updated with accounts information.

If appropriate, we will adjust our fees when you start actively trading.

Becoming inactive

Please notify us when you become inactive.

We will require complete accounting information for your last active quarter, but from this point onwards we will not chase you for accounting information until the end of your accounting period. However, we will need copies of your company bank statements covering these inactive quarters. These bank statements should contain only our fees, dividends, VAT payments, bank charges and bank interest (at the most). Otherwise, the quarter will not be considered to be inactive.

Please note that unless you de-register for VAT, you must continue to file a VAT return, either using FreeAgent or by logging onto HMRC using the User ID and password for your business tax account. Please liaise with us regarding this.

If appropriate, we will adjust our fees when you become inactive.

Dormant and inactive companies

Dormant and inactive company fees cover the cost of all relevant compliance work and the preparation of accounts and filing with Companies House and HMRC. Dormant company fees must be paid other than from the company. Inactive company fees may be paid out of the company if funds are available.

Striking off the company

If you have no further use for the company, you may wish to have it struck off the register at Companies House.

If the company has never traded (i.e. has been dormant since incorporation), it can be struck off without preparing and filing any further accounts. However there are compliance issues which we will handle, and we will charge a strike off fee.

If the Company has traded at any time it will be necessary for us to prepare cessation accounts to be filed with HMRC and Companies House. In this case we will charge our normal accounts fee according to the formula set out above, in addition to the strike off fee.

If you wish the company to be struck off, but the reserves in the company are more than £25,000, the company must go through the process of being liquidated and we are able to recommend a specialist who will carry out this process. In this case, we will charge an administration fee in addition to fees charged by the specialist.

Help and advice to Clients

We provide a fixed price service to clients who generally fit the profile of independent professionals. Almost all our clients are new to working for themselves and we are very happy to help and advise in any way we can.

However, we also acknowledge that some clients require more assistance than others and, while we are usually happy to provide this assistance, we may occasionally need to make a charge for excessive time spent replying to emails and answering telephone calls.

This is common practice when providing a fixed price service, and we will advise you if we feel that we have reached this point, but it applies to very few of our clients.