

Katherine Evans
Deputy Town Clerk
Towyn and Kinmel Bay Town Council
Community Resource Centre the Square,
Off Foryd Rd
Kinmel Bay,
Rhyl
LL18 5BB,

18 June 2026

Dear Katherine,

Engagement Letter
Employment Taxes and Value Added Tax

This engagement letter sets out the basis on which LAVAT Consulting Limited t/a PSTAX ("We") will provide VAT and Employment taxes advice to Towyn and Kinmel Bay Town Council ("You"), and to clarify our respective responsibilities. It should be read in conjunction with the attached Terms and Conditions.

1 Our Services

- 1.1 You have asked us to provide our services to include but not limited to attending meetings, provide written advice, consultancy, ET and VAT training on your instructions.
- 1.2 Any other ad-hoc VAT or Employment Tax advice that you may require will also be covered by this engagement letter unless you or we deem that a separate engagement letter is required.

2 Our Responsibilities

- 2.1 The Services will be provided or coordinated by members of the PSTAX team.
- 2.2 Unless specifically instructed and accepted in writing, the Services will not include, and We will not be responsible for, the implementation or ongoing monitoring of any tax structures or arrangements which We have not been involved in setting up or otherwise advising upon. Neither will We, unless specifically agreed in writing, act as your agent with any tax authorities or be responsible for the monitoring of time limits, the lodging of timely returns, the payment of tax owing or the lodging of any appropriate claims and elections.
- 2.3 Unless specifically instructed and accepted in writing, the Services will not include, and We will not be responsible for, the drafting of legal/contractual documentation and/or advice thereon. On those aspects We recommend You seek appropriate professional advice.

3 Your Responsibilities

- 3.1 You agree to identify those Officers and staff who are authorised to provide instructions to us in connection with this engagement. Currently this is Katherine Evans. Additionally, You agree to notify us of those Officers and staff who may refer other minor matters to us.
- 3.2 In addition to access to material and information to be provided to us in accordance with Clause 5 of our Terms and Conditions, You agree:
- to provide, on a timely basis, full information necessary for us to carry out our work;
 - that We can approach such third parties as may be appropriate for information that We consider necessary to deal with Your affairs;
 - to keep us informed about significant transactions or changes in your circumstances.
- 3.3 It is our policy to use e-mail wherever possible and useful. Where You have provided us with an e-mail address, e.g., by sending us an e-mail, We will assume that We may use that address for the sending of unencrypted sensitive or confidential correspondence or documents to You. It shall be your responsibility, (as with a postal address or fax number) to advise us of any change or suspension/cancellation of that address and to safeguard access to it.
- 3.4 All information provided to us will remain confidential and is held under the terms of the Data Protection Act and will not be disclosed to any third parties without the consent of Towyn and Kinmel Bay Town Council.

4 Fees

- 4.1 Our fee for the services described in paragraph 1.1 is to be based upon the time spent to undertake the work and will be charged according to our standard hourly rate for consultancy of £220 per hour plus VAT.
- 4.2 Our fee for any other advice provided to You in accordance with paragraph 1.2 will be based on our standard hourly rate which is currently £220 per hour plus VAT, unless another basis of charging is agreed in writing prior to the work commencing

5 Expenses

- 5.1 Except as stated in 4.1 above, We will charge You for our normal travel and out of pocket expenses. Where We incur other expenses and disbursements, these will be added to our fees. We will not incur such additional expenses without your prior consent.

6 Retention of and access to records

- 6.1 During the course of our work We may collect documents and information from You and people acting on your behalf. We will ensure that all original documents are returned to You as soon as possible.

- 6.2 Any documents and information not returned to You, as well as documents and information produced by us, will be retained for a period of not less than 6 years. After this period We reserve the right to destroy any documents or information in our possession.

7 Limitation of Liability

- 7.1 The extent of our liability to You in respect of the professional services described within this Engagement Letter, having considered both your circumstances and our own, is agreed to be limited to and to be no more than £40,000,000 and this is agreed to represent a fair maximum of our liability.
- 7.2 In reaching this agreement it is also agreed that:
- We will provide our professional services outlined in this letter with reasonable care and skill;
 - all aspects of our professional services are for Your sole use and will not be made available to any third party without our prior written consent;
 - in the event of any claim arising in respect of the professional services, You have agreed that the above-mentioned limit represents the maximum total liability in respect of the company, its directors, employees, associates, consultants, agents and subcontractors. This maximum total liability includes any claims in respect of breaches of contract, tort or otherwise in respect of the professional services and shall also include interest and costs.
 - We acknowledge that the limit in respect of our aggregate liability will not apply to any acts, omissions or representations that are in any way criminal, dishonest or fraudulent on the part of the company, its directors, employees, associates, agents and subcontractors.
 - You have agreed that You will not bring any claim of a kind that is included within the subject of the limit against any of our directors, employees, associates, consultants, agents and subcontractors on a personal basis.
- 7.3 Your attention is drawn to Clause 3 of the attached Terms and Conditions.

8 Agreement of terms

- 8.1 Once it has been agreed, or upon the commencement of our provision of services, whichever is the earlier, this letter and the attached Terms and Conditions will remain effective until it is replaced or otherwise amended. We will be grateful if You would confirm your agreement to these terms by signing the enclosed copy of this letter and returning it to us as soon as possible.

If at any time You have any concerns regarding our provision of the Services, then please do not hesitate to raise them with Nick Burrows (Managing Director) who can be contacted on 02392 469141.

Yours faithfully



for and on behalf of PSTAX

Agreed and accepted on behalf of Towyn and Kinmel Bay Town Council

Signature..... Date.....

Position within the Towyn and Kinmel Bay Town Council

.....

LAVAT CONSULTING LIMITED

STANDARD TERMS AND CONDITIONS FOR THE PROVISION OF TAX SERVICES

1 Interpretation

1.1 In these terms and conditions (and unless expressly stated to the contrary in any Engagement Letter) the following expressions shall have the meanings set out beside them:

"Agreement"	means an Engagement Letter accepted and signed by the Client and the Company, including the Conditions.
"Client"	means the person who accepts a proposal, the terms of which are set out in the Engagement Letter.
"Company"	means LAVAT Consulting Limited and its successors and assigns.
"Commencement Date"	means the commencement date set out in the Engagement Letter
"Conditions"	means the standard terms and conditions of services set out in this document and any special terms and conditions agreed in writing between the Client and the Company
"Engagement Letter"	means the document to which the Conditions are attached, made by the Company to the Client setting out the services to be performed by the Company or any written request from the Client for services which is accepted by the Company in writing.
"Services"	means the services to be performed by the Company for the Client as set out in the Engagement Letter.
"VAT"	means Value Added Tax

1.2 The headings in these Conditions are inserted only for convenience and shall not affect their interpretation.

1.3 Any reference in these Conditions to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended from time to time.

- 1.4 Any reference in these Conditions to the singular shall be deemed to include a reference to the plural and vice versa.
- 1.5 Any reference in these Conditions to a person shall include a body corporate, a corporation, a partnership or an unincorporated association.

2 Provision of Services

- 2.1 The Company shall provide to the Client, and the Client shall engage the Company to provide the Services as set out in the Engagement Letter, subject in all cases to the Conditions.
- 2.2 No variation to these Conditions shall be binding unless agreed in writing between the authorised representatives of the Client and the Company.
- 2.3 No request for Services submitted by the Client shall be deemed to be accepted by the Company **unless and until such request is signed by the Company's authorised representative.**
- 2.4 The Client shall be responsible to the Company for ensuring the accuracy of the terms of any request for Services and for giving the Company any necessary information relating to the Services within a sufficient time to enable the Company to provide the Services.

3 Liability

- 3.1 The following provisions of this clause 3 set out the entire liability of the Company, agents and contractors to the Client in respect of any breach of the Conditions and any representation (other than a fraudulent representation), statement or tortious act or omission including but not limited to negligence arising under or in connection with the Agreement and the provision by the Company of the Services.
- 3.2 Except where the Company has been negligent in the performance of the Services the Company:
 - 3.2.1 shall not be liable for any loss or damage whatsoever insofar as any calculations or **recommendations concerning the Company's assessment in respect of VAT** reclaimable or VAT reclaimed if such calculations or recommendations subsequently be judged or proved incorrect by any Court or Tribunal or HM Revenue and Customs, excepting that the Company hereby agrees to reimburse the Client in respect of fees charged by the Company subject to the terms of the Engagement Letter;
 - 3.2.2 excludes any liability in respect of loss of profits, loss of business, loss of revenue, loss of goodwill, loss of anticipated savings, loss of data or information or any indirect or consequential loss, howsoever arising, suffered or incurred by the Client;
 - 3.2.3 shall not be responsible for any liability whatsoever that may occur under Schedule 24 of the Finance Act 2007.
- 3.3 The Company undertakes and agrees to take out adequate professional indemnity insurance cover with an insurance office of repute to cover the liability accepted by it in this Clause 3 and **at the Client's request agrees to produce a copy of the insurance policy or policies and relevant renewal receipts for inspection by the Client.**
- 3.4 **The Company's fees pursuant to the Agreement are determined on the basis of the exclusions from and limitations of liability contained in the Conditions. The Client hereby expressly agrees**

that these exclusions, limitations and liabilities are reasonable because of the likelihood that otherwise the amount of damages that may be awardable to the Client for the Company's negligence or a breach by the Company of the Conditions may be disproportionately greater than the fee for the Services.

- 3.5 The Services are provided exclusively for the benefit of the Client. The Client undertakes that it will not pass to any third parties the advice given by the Company, except as required by law. In the event of a third party claim against the Company as a result of a breach of this clause by the Client, the Client shall indemnify the Company against all liability, actions, proceedings, costs, claims, damages or demands brought or threatened to be brought against the Company by any such third party.
- 3.6 The provisions of this clause 3 shall survive the termination of the Agreement howsoever arising.

4 Fees and Payment

- 4.1 In consideration of the provision of the Services the Client shall pay to the Company (subject to receipt of an invoice from the Company) in respect of the provision of Services the charges set out in the Engagement Letter.
- 4.2 All payments to the Company shall be made against the Company's invoice which shall be presented in accordance with clause 4.3 below. All payments shall be made by the Client upon presentation of the Company's invoice to the Client.
- 4.3 In the case of Services in respect of which fees are based on daily or hourly rates where stated in the Engagement Letter, the Company shall invoice the Client from time to time at the Company's discretion for the provision of Services.
- 4.4 All charges and other sums payable by the Client under the Agreement and/or these Conditions are exclusive of any applicable VAT which shall be payable by the Client in addition to the charge or sum in question.
- 4.5 All payments to be made by the Client to the Company under the Agreement which are undisputed shall be made in full without any withholding, set-off, restriction or condition and without any deduction for or on account of any counterclaim.
- 4.6 If the Client fails to pay within 28 days any amount which is payable to the Company pursuant to the Conditions then, without prejudice to clause 4.7 and clause 6 the amount shall bear interest from this date until payment is made to the Company at an annual rate of four per cent per annum over Bank base rate from time to time.
- 4.7 If the Client fails to make any payment on the date due then, without prejudice to any other right or remedy available to the Company the Company shall be entitled:
- 4.7.1 Summarily to terminate this Agreement or any other agreement between the Company and the Client or suspend the provision of any Services:
 - 4.7.2 to appropriate any payment made by the Client to such of the Services (or the services supplied under any other agreement between the Client and the Company) as the Company may think fit (notwithstanding any purported appropriation by the Client).

- 4.7.3 To approach a Small Claims Court or Debt Collection agency as the Company sees fit.

5 Obligations of the Client

- 5.1 Whilst the Company provides the Services to the Client the Client shall afford the Company such access to the Client's premises and the Client information record and other material relevant to the Services as the Company may require to provide the Services provided always that the Client shall only be obliged to afford such access during normal business hours. Further the Client shall:
- 5.1.1 advise the Company of the rules and regulations which are then in force for the conduct of personnel at its premises;
 - 5.1.2 make available such working space and facilities at its premises as the Company may reasonably require;
 - 5.1.3 make available appropriate personnel to liaise with the Company;
 - 5.1.4 secure and otherwise keep safe all and any property of the Company;
 - 5.1.5 retain all information and data provided in any Report or correspondence as strictly confidential and only to be viewed by the Client's employees and H.M. Revenue & Customs or as required by law.

6 Termination

- 6.1 Without prejudice to either party's right to terminate the Agreement and/or the provision of the Services in accordance with the provisions of clause 6.2 below either party shall at any time have the right at its discretion by giving 30 days' notice in writing to the other party to terminate all or any of its obligations in connection with the services.
- 6.2 Either party may terminate the Agreement and/or the provision of the Services forthwith by notice in writing to the other if:-
- 6.2.1 the other commits a breach of the Conditions which in the case of a breach capable of remedy shall not have been remedied within 30 days of the receipt by the other of a notice from the innocent party identifying the breach and requiring its remedy; or
 - 6.2.2 the other has a bankruptcy order made against it or makes an arrangement or composition with its creditors or otherwise takes the benefit of any Act for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal) or enters into liquidation (whether voluntary or compulsory), except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver, manager, administrator or administrative receiver appointed of any of its assets, income or undertaking.
 - 6.2.3 there is a significant change in the Company's personnel such that it materially alters the level or quality of service to the Client.

7 Force Majeure

- 7.1 Neither party to this Agreement shall be liable to the other party in any manner whatsoever for any failure or delay or for the consequences of any failure or delay in performing any of its obligations under the conditions if such failure or delay is due to any cause beyond that party's reasonable control and the party so failing or delayed shall be entitled to a reasonable extension of time for performing such obligations provided that lack of funds howsoever arising shall not be a cause beyond a party's reasonable control.

8 General

- 8.1 No waiver by the Company of any breach of any provision of the Conditions by the Client shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 8.2 If any provision of the Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of the Conditions and the remainder of the provision in question shall not be affected thereby.

9 Notices

- 9.1 All notices to be given pursuant to the Conditions shall be in writing and shall be sent to the respective addresses of the Client and the Company given in the Engagement Letter or to such other address as may be notified by either party to the other from time to time.

10 Entire Agreement

- 10.1 The Agreement and Engagement Letter contains the entire agreement between the parties with respect to the Services and supersedes and replaces all prior communications, drafts, agreement, warranties, stipulations, undertakings and agreements of whatsoever nature, whether oral or written, between the parties relating to the Services.
- 10.2 Each party acknowledges that it has not relied upon any representation, warranty, promise or assurance made or given by the other party, whether or not in writing, at any time prior to being bound by the Conditions which is not expressly set out in the Agreement, provided that this shall not exclude any liability which a party would otherwise have to the other in respect of any statements made fraudulently.

11 Methodologies

- 11.1 The methodologies which are used by the Company in carrying out the Services represent know-how belonging to the Company and are confidential to the Company and the Client shall not acquire any rights in such methodologies or be entitled to call for detailed explanations of such methodologies. If at the request of the Client the Company in its absolute discretion agrees to give to the Client such detailed explanations the Client shall keep the same confidential and shall not disclose the same to any third party without the prior written consent of the Company, except as required by law.

12 Joint and Several

- 12.1 Where the Client is more than one person the liability of such persons under the Agreement shall be joint and several.

13 Assignment

- 13.1 The Company shall not be entitled to assign the benefit and/or burden of the agreement without the written consent of the Client (such consent not to be unreasonably withheld).

14 Lien

- 14.1 Without prejudice to any lien to which the Company may be entitled by law, the Company shall have a general lien over any papers in its possession belonging to the Client, or for which the Client is entitled to call, for payment of the Company's charges under the Agreement or any other agreement between the Company and the Client.

15 Right of Third Parties

- 15.1 The Contracts (Rights of Third Parties) Act 1999 shall apply to the benefit conferred or purported to be conferred on the employees, agents and sub-contractors of the Company in respect of the exclusions and limitations set out in clause 3 of the Conditions. Except as stated in this clause 15, the Company and the Client do not intend that any of the Conditions will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to the Agreement.

16 Law and Jurisdiction

- 16.1 The Conditions shall be governed by English law. The English courts shall have exclusive jurisdiction to set settle any disputes which may arise out of or in connection with the Conditions or the provision of the Services.