



The Institute of Chartered Accountants in England and Wales recommends that its members should confirm formally the terms of professional engagement in a formal letter. The Fixed Price Agreement together with these Terms of Business therefore set out the basis of the work that we are to undertake for you and the fees we are to charge.

Our Aim

Whatever the specific type of service we provide, we can only measure our success if the service gives you added value. As a professional service organisation, our aim is to provide you with a high quality service at an effective cost to meet or, as we hope will often be the case, exceed your expectations.

Whilst it will always be clear that our advice and support for you or for any company in which you are involved, is in the nature of assisting you to make decisions, we will never adopt the stance of "shadow" director.

Help Us to Give You the Best Service

If at any time you would like to discuss with us how our service to you can be improved, or if you are dissatisfied with the service you are receiving, please let us know as soon as may be reasonably practical by telephoning Paul Kennedy at 01707 876 876.

We undertake to look into any complaint carefully and promptly, and do all we can to explain the position to you. If we have given you less than satisfactory service, we undertake to do everything reasonable to put it right.

You also have the right to register a complaint direct with our Institute whose address and details are: The Institute of Chartered Accountants in England and Wales, PO Box 433, Chartered Accountants Hall, Moorgate Place, London EC2P 2BJ.

Our Code of Conduct

Our aim is to:

1. *Meet or exceed your expectations.*
2. *Carry out work on any assignments we undertake for you, in a speedy and efficient way.*
3. *Respect confidential information about your business and your financial affairs and not to disclose, nor permit the disclosure of or use any information about you, without your prior permission except for the information we provide to the third parties we may engage in the process of meeting our commitments.*
4. *Undertake, diligently, impartially and honestly the work of any assignment and to ensure at all times that we provide you with a highly professional standard of work.*
5. *Accept assignments for which we are qualified and able to perform and where appropriate to engage third party professionals to assist us in meeting our objectives in providing you with a highly professional service. If we do engage third party professionals we will endeavour to ensure that their qualifications and experience are appropriate to undertake the work for which we will of course be responsible.*
6. *Fully disclose to you any conflict of interests or other significant circumstances that might influence the work we carry out for you.*
7. *Refrain from inviting any of your employees to consider alternative employment with us.*
8. *Fix all our fees in advance with you before we undertake any work on an assignment.*

References and Supply of Information to Third Parties

Credit and Other References

We are happy to assist clients by supplying credit and other contractual relationship wherever possible but you should note that it is our usual practice not to do so during the first six months of our contractual relationship. Please note that as part of our reference letter we always incorporate a final

paragraph which states: *"As is the case with all references given by our firm we give the same to you in good faith but no duty of care is owed to you nor given and no liability is accepted on the part of the firm or the writer in respect of this reference."*

Furnishing Information to Third Parties

Since we owe no duty of care to anyone other than clients to whom we render services, you should note that we do not furnish copies of accounts (including annual and periodic management accounts) to third parties (except, where applicable, the Registrar of Companies and the Inland Revenue), except in cases where you obtain from the recipient third party a "hold harmless" letter in such terms as we shall specify fully absolving us against any liability to that party in advance.

Applicable Law

The Fixed Price Agreement and these Terms of Business shall be governed by and construed in accordance with English law. The Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. You and we irrevocably waive our rights to object to an action being brought in the Courts of England to claim that such action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

Agreement of Terms

Once it has been agreed between us, these Terms will remain effective until they are replaced in writing. Periodically we may agree with you in writing minor variations to these Terms.

Limitation of Liability

The advice which we give and the services which we provide to you is for your use only and does not constitute advice to any third party to whom you may communicate it. We will provide the professional services outlined in our Fixed Price Agreement with reasonable care and skill. However, we will not be responsible for any losses, penalties, surcharges, interest or additional tax or other liabilities arising from the supply by you or others of incorrect or incomplete information, or from the failure by you or others to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or the tax authorities.

If required, and payment has been made to us, we will re-perform any work which is not in compliance with this undertaking if it is brought to our attention within a reasonable time after the work is performed. You agree that all claims with respect to services be asserted within one year from the date the subject services were performed.

You agree to hold harmless and indemnify us, our partners, directors, principals and staff ("our team") against any misrepresentation (intentional or unintentional) supplied to us orally or in writing in connection with this agreement. You agree to release, indemnify and hold harmless our partners and principals and staff, heirs, executors, personal representatives, successors, and assigns from any liability and costs resulting from knowing misrepresentations by you or your management or from fraud caused by or participated in by management of your company or organisation.



Except in regulated matters such as audit, any liability of the Firm or members of the team from actions found against us to pay damages for losses arising as a direct result of breach of contract or negligence on our part in respect of services provided in connection with or arising out of the engagement set out in the Fixed Price Agreement (or any variation or addition thereto), whether in contract, negligence or otherwise shall in no circumstances exceed the amount of fees which have been paid to us for the work undertaken less all legal and other costs which we may incur in defending any actions against us. We undertake that we will exercise due care in the performance of our work in accordance with applicable professional standards.

It is agreed that our Terms of Business are only such as are reasonably necessary for the provision of services by us hereunder but should any of the same be held void, voidable illegal or otherwise unenforceable the same shall be deemed to be re-written with such minimum amendment as is compatible with the same being fully enforceable by us.

Duty to Mitigate

It is understood between us that you have a duty to mitigate any loss that you may suffer arising out of your Fixed Price Agreement with us. We shall not be liable for any loss that could reasonably have been avoided or mitigated but for any failure on your part.

This duty to mitigate means that if you believe you have suffered or are likely to suffer any loss which you believe is or may be attributable to any service provided by us pursuant to the Fixed Price Agreement, you must:

- Inform us in writing, within 30 days of first becoming aware of such event;
- Allow us to remedy (including, but not limited to, re-doing the work concerned), where such is possible, the defect (if any) which you believe has or will give rise to a loss; and
- Expeditiously take such action as may be necessary to minimise any loss you may suffer.

Indemnity against Third Party Claims

You agree to release us from liability and to indemnify us in the event that a claim is brought against us by a third-party for misstatements in financial statements, which were caused by false representations made to us by you or members of your management. Accordingly, you agree to indemnify and hold our firm, its partners, and employees harmless from any and all liabilities, costs, and expenses relating to this engagement, and expenses (and those of our lawyers) incurred by reason of any action taken or committed to be taken by us in good faith. In no event will our firm or partners or staff be liable for incidental or consequential damages even if we have been advised of the possibility of such damages.

No Liability to Third Parties

It is our understanding that the essential purpose of the services provided to you under the Fixed Price Agreement is for the use of the management of your organisation (if relevant) or by you personally, and that the services rendered by us are not intended to benefit or influence any other person, firm, or corporate body. Should there be any changes in these circumstances, you agree to notify us in writing promptly of any such changes, in any event before commencement of the next Fixed Price Agreement under these Terms with you.

Assessment of Creditworthiness

We reserve the right at all times to obtain information from third parties and other external sources and searches may be made on your file at a licensed credit referencing agency and the search trace may be recorded on your file. Undertaking such searches or obtaining such information will assist us in assessing your creditworthiness and ability to pay our fees and charges pursuant to our agreement with you.

Right to Withdraw and Terminate

We reserve the right to withdraw from and terminate the Fixed Price Agreement to act for you and to provide services, should information become known that would either make our continued involvement in the Fixed Price Agreement inappropriate as set forth in the professional standards that govern the accounting profession, or otherwise at any time and in our absolute discretion. If we choose to terminate the provision of services to you, we undertake to give reasonable notice of such termination. Termination will not affect our rights to fees or other charges due to us by you in respect of services etc provided by us prior to termination nor, in cases where our fees or charges are subject to a contingency arrangement, will it affect our rights thereunder.

Conflict

Subject to our treating as confidential all confidential information that you give to us, you agree that we may act during the Fixed Price Agreement for other clients whose interest may be averse to yours. You agree that compliance with our duty of confidentiality may be achieved by us taking such steps as we, in good faith, think fit to preserve confidential information both during and after termination of this agreement.

No Engagement of our Staff or Partners

Without our prior written approval, you agree not to offer employment to any member of our staff or partners working on this or any engagement for you nor will you use the service of such persons either independently or via a third party for a period of 12 months following the end of any involvement by any such person concerned with any engagement with you. You acknowledge that breach of this condition will render you liable to pay liquidated damages to us equal to six months salary of the person concerned.

Suspension of Services

We reserve the right to suspend further services until payment is received on past due invoices. If we should be requested to issue a report or provide an opinion, we require that we be paid in full prior to such issuance for all work performed to date (or for all work to date and a fair proportion of the fixed price through to completion and issue of such report).

You should be aware that we shall not continue any work, unless agreed in advance and in writing, where either:

- Our work in progress exceeds the total payments on account requested from you and paid by you; or
- Any Request for Payment remains unpaid for a period exceeding four weeks.

Fee Payment Delays

In the event that collection procedures are required to obtain payment of fees billed to you by us, you agree to pay all expenses of collection and all legal fees and costs actually incurred by us in connection with such collection. If litigation is required regarding collection of fees, you agree that we will be paid a fixed price in connection with such action.

**Basis of Charging Fees**

- Our fees are fixed in advance of any assignment. If you have not agreed a fee with us, it is your right not to pay it.
- Payment terms are also specified in advance as to timing, amount and method (eg, BACS, Cheque, standing order, credit card).
- It is expected that fee requests will be paid promptly by you in accordance with the payment terms specified in our Fixed Price Agreement or any Extra Work Order.
- If you have queries on our charges, you must write to us within 21 days of the date of the Fixed Price Agreement otherwise our fee schedule shall not be brought into question and the charges made by us shall remain valid and shall not be commuted.
- We reserve the right to charge interest (at 2.5% per month), in cases where there is a delay in the settlement of our fee account.

Fixed Fee Variations

The fixed fee specified for any service we have agreed to provide, shall be based on:

- The assumption that the information you are to provide shall be furnished within such timescale as we have specified to you; and
- The assumption that the information shall be complete and accurate.

In the event that the above requirements are not met, we reserve the right to revert to you and require that you prepare the information in the form originally expected or revise the timescales we have committed to for our work.

Communications by E-Mail

We regard e-mail as an important business tool, and our team endeavour to make appropriate use of this facility in dealings with clients. However, there are certain risks associated with e-mail communication and, as a result, its use is subject to the following protocol:

- we will use e-mail, where appropriate, to help accelerate the process of exchanging information;
- each party will treat e-mail with the same priority as communications sent by post or fax, however each understands that there may be delays in receiving e-mails over which the addressees have no control;
- any messages received should be acknowledged by the recipient with a reply which copies the incoming message back to the sender (i.e., reply with history);
- any instructions given in an e-mail or attachment thereto that may affect the scope of the firm's work should be confirmed promptly by a hard copy;
- all messages will be deemed to be genuine, complete and accurate and secure against being altered in the course of transmission, and all parties must notify immediately any sender and addressee if there is any suspicion that this may not be the case;
- no party shall send any other party information that might be considered obscene, defamatory or in any way in breach of any laws or regulations in any relevant jurisdiction;
- all messages must identify the sender and all external addressees of that message and any copy of it;
- while stored in electronic form, each party shall take reasonable care to ensure that all messages and attachments are securely stored, free of viruses, not altered, lost or destroyed and capable of being retrieved only by properly authorised persons.

As Internet communications are capable of data corruption, we do not accept any responsibility for changes made to such communications after their dispatch. For this reason it may be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. All risks connected with sending commercially sensitive information relating to your business are not our responsibility. If you do not accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.

Data Protection Act 1998

To enable us to discharge the services agreed under the Fixed Price Agreement, and for other related purposes including updating and enhancing client records, analysis for management purposes and statutory returns, crime prevention and legal and regulatory compliance, we may obtain, use, process and disclose personal data about you. You have a right of access, under data protection legislation, to the personal data that we hold about you. For the purposes of the Data Protection Act 1998, the Data Controller under the Act in relation to personal data supplied about you is Paul Kennedy.

Working papers, correspondence and other documents

In the course of providing our services to you we acquire and originate a range of documentation. According to its nature, this documentation is either your property (for instance in connection with taxation matters or where we undertake accountancy procedures on your behalf) or is our property. We do not segregate such documentation according to legal ownership.

Unless otherwise agreed in writing we shall retain documentation for a period that accords with our document retention policy from time to time. We reserve the right to destroy documents after a shorter period if our policy changes.

Documentation that is your property will be returned to you on request.

Contracts (Rights of Third Parties) Act 1999

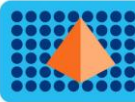
For the avoidance of doubt, it is not intended by the parties to the Fixed Price Agreement that any term that may be construed as conferring a benefit on any person who is not a party to the Fixed Price Agreement should be enforceable by such party.

Confidentiality

Our files and other records may be subject to third party inspection for compliance purposes, such as by the Quality Assurance Department of the ICAEW and any network company to which we belong (for quality control purposes) or for other regulatory purposes or because of other statutory obligations. Your agreement with us expressly allows us to permit access to our records about you, your business and your transactions with us to these or other similar external agencies for compliance purposes.

General Data Protection Regulations

Our client privacy notice is set out in separate document available from our office and from our website.



The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017

In common with all accountancy and legal practices the firm is required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017 to:

- maintain identification procedures for clients and beneficial owners of clients;
- maintain records of identification evidence and the work undertaken for the client; and
- report, in accordance with the relevant legislation and regulations.

We have a statutory obligation under the above legislation to report to the National Crime Agency (NCA) any reasonable knowledge or suspicion of money laundering. Any such report must be made in the strictest confidence.

In fulfilment of our legal obligations, neither the firm's principals nor staff may enter into any correspondence or discussions with you regarding such matters.

Provision of probate-type services

We are not licensed or authorised for the reserved legal activity of non-contentious probate. Consequently, any work we do for you on closely aligned activities, such as estate administration or inheritance tax advice, will not be covered by the ICAEW Probate Compensation Scheme, this service will not be covered by legal personal privilege and you will not have access to the Legal Ombudsman

Provision of cloud-based services

- Where the firm provides accounting software in the Cloud, this will be provided by a third party (the 'Cloud Supplier'). The third party has signed a Data Processing Addendum with the firm to ensure compliance with the relevant clauses in the firm's standard terms of business and our client privacy notice.
- The service provided by the Cloud Supplier will be a discrete web based hosted facility, and you agree that access will also be provided to the firm and the third party.
- The firm cannot be held liable for any interruption of service provided by the Cloud Supplier. However, we will liaise with them to help ensure that normal service is resumed as soon as possible.

Disability Discrimination Act

We are committed to ensuring that our clients and employees are not victim to any form of discrimination (as defined under the Disability Discrimination Act) whilst in our offices. Upon receipt from you of reasonable notice of requirements to accommodate the disability of any Person visiting our offices, we will undertake reasonable efforts to ensure that such persons do not suffer discrimination whilst in our offices and make such suitable adjustments as may, in all the circumstances, be reasonable. For this purpose "any Person" shall mean the person or organisation to whom these terms and conditions are addressed or any employee or director who visits our offices in

connection with the business or affairs of the addressee hereof.

Duty of disclosure

We have no duty to disclose information to you or to use such information which is not actually known by those of our partners and other personnel who are working on matters appertaining to your affairs even though that information may be known by those other partners and personnel and may be relevant to you.

Other Services

We do not give investment business advice under the Financial Services Act 1986 (as amended) or the Financial Services and Markets Act 2000 but will be happy to refer you to an independent financial advisor if required suitable authorised by the Financial Services Authority. We do not hold client's monies nor investments. We prefer that you keep any documents of title, but where we do hold them it is merely for convenience and not for investment purposes.

Insurance

In accordance with the disclosure requirements of the Services Regulations 2009, our professional indemnity insurer is Royal & Sun Alliance Insurance Plc of 9th Floor, One Plantation Place, 30 Fenchurch Street, London, EC3M 3BD. The territorial coverage is worldwide excluding professional business carried out from an office in the United States of America or Canada and excludes any action for a claim bought in any court in the United States of America or Canada.