



TERMS OF BUSINESS (UPDATED 6 November 2023)

The following terms of business apply to all engagements accepted by Morris Lane. All work is carried out under these terms except where changes are expressly agreed in writing. These terms of business should be read alongside the privacy notice.

1 APPLICABLE LAW

- 1.1 Our engagement letter, the schedules of services and our terms 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 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, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.
- 1.2 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 light of any change in the law, practice, public policy or in your circumstances. 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.
- 1.3 If you engage us for tax services, you will keep us informed of material changes in circumstances that could affect your tax liabilities. If you are unsure whether the change is material please tell us so that we can assess its significance.
- 1.4 You are responsible for ensuring that you comply with the laws and regulations that apply to your activities, and for preventing non-compliance with these and detecting any that occur.

2 CLIENT IDENTIFICATION

- 2.1 As with other professional services firms, we are required to identify our clients for the purposes of the UK anti-money laundering legislation. Identifying a client may also include verifying the identity of shareholders, members, trustees, partners, directors and other individuals connected to the client, as well as beneficial owners of the entity if applicable.
- 2.2 We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases including ID verification software. If we are not able to obtain satisfactory evidence of your identity, we may not be able to proceed with the engagement.
- 2.3 Electronic ID verification involves an online search of fraud and credit references agencies to supply relevant data from various databases. This may, for a time-restricted period, leave a note on your credit report which states that an ID verification check has been carried out. This should not impact your credit rating in any way. The verification provider may also keep a record of the search conducted and share a record of past searches with other users of its service.

- 2.4 We may perform an electronic ID verification check on any of the people we consider necessary to check under our obligations as set out in section 2.1 above. You are responsible for circulating our Notice of Electronic ID Verification to all relevant parties listed in section 2.1 above.
- 2.5 Time spent addressing issues arising from these procedures and other set-up matters will be charged in the same manner as any other work undertaken on your behalf, as set out in section 12 below.

3 CLIENTS' MONEY

- 3.1 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, and all funds dealt with, in accordance with ICAEW's Clients' Money Regulations.
- 3.2 No interest will be paid on the balances held on your behalf.
- 3.3 We will promptly return monies held on your behalf 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.

4 COMMISSIONS OR OTHER BENEFITS

- 4.1 In some circumstances we may receive commissions or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. If this happens we will notify you in writing of the amount and terms of payment and receipt of any such commissions or benefits. The same will apply if the payment is made to, or the transactions are arranged by, a person or business connected with ours. The fees you would otherwise pay will be reduced by the amount of the commissions or benefits. When we reduce the fees that we would otherwise charge by the amount of commission retained, we will apply the HMRC concession which allows VAT to be calculated on the net fee after deduction of the commission.

5 COMPLAINTS

- 5.1 We are committed to providing you with a high quality service that is both efficient and effective. If at any point you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, or should there be any cause for complaint in relation to any aspect of our service please contact Mr Roger Morris at 31/33 Commercial Road, Poole, BH14 0HU or roger.morris@morrislane.co.uk.
- 5.2 We will consider carefully any complaint you may make about our service as soon as we receive it and do all we can to explain the position to you. We will acknowledge your letter within ten business days of its receipt and endeavour to deal with your complaint within eight weeks.
- 5.3 If we do not answer your complaint to your satisfaction, you may, of course, take up the matter with our professional body, ICAEW.
- 5.4 For consumer agreements: should we be unable to resolve your complaint you may also be able to refer your complaint to an alternative dispute resolution (ADR) provider to try and reach a resolution. We will provide details of an ADR provider if we cannot resolve your complaint using our internal procedures. This is in addition to your ability to complain to ICAEW.

6 CONFIDENTIALITY

- 6.1 Unless we are authorised by you to disclose information on your behalf, 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, and as set out in our privacy notice.
- 6.2 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 such steps as we think appropriate to preserve the confidentiality of information given to us by you, both during and after this engagement. These may include taking the same or similar steps as we take in respect of the confidentiality of our own information.
- 6.3 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 of teams, and separate arrangements for storage of, and access to, information.
- 6.4 You agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid any real risk of confidentiality being impaired.
- 6.5 We may, on occasion, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality and security terms.
- 6.6 We reserve the right, for the purpose of promotional activity, training or for other business purpose, to mention that you are a client. As stated above we will not disclose any confidential information.
- 6.7 This applies in addition to our obligations in sections 8 and 10.

7 CONFLICTS OF INTEREST

- 7.1 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.
- 7.2 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 ICAEW's Code of Ethics, which can be viewed at <https://www.icaew.com/regulation/ethics>. During and after our engagement, you agree that we reserve the right to act for other clients whose interests are or may compete with or be adverse to yours, subject, of course, to our obligations of confidentiality and the safeguards set out in the paragraph on confidentiality above.

8 DATA PROTECTION

- 8.1 You acknowledge that we will act in accordance with the privacy notice we have supplied to you.
- 8.2 We shall each be considered an independent data controller in relation to client personal data. 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. Each of us

will comply with all the requirements and obligations applicable to us under the data protection legislation (as defined in the privacy notice) in respect of the client personal data.

8.3 You shall only disclose client personal data to us where:-

- a) you have provided the necessary information to the relevant data subjects regarding its use (and for this purpose you may use or refer to our privacy notice, available at: <https://www.morrislane.co.uk/privacy-notice>);
- b) 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
- c) you have complied with the necessary requirements under the data protection legislation to enable you to do so.

8.4 You agree to indemnify us for any loss suffered by us in respect of any failure by you to provide the necessary information to the relevant data subjects as set out in clause 8.2.

9 DISENGAGEMENT

9.1 If we resign, or are asked to resign, we may issue a disengagement letter to ensure that our respective responsibilities are clear.

9.2 Except for audit engagements, should we have no contact with you for a period of three years or more we may issue to your last known address a disengagement letter and thereafter cease to act.

9.3 We reserve the right following termination for any reason to destroy any of your documents that we have not been able to return to you after a period of six months unless other laws or regulations require otherwise.

9.4 On termination of the engagement you may appoint a new adviser. Where a new adviser requests professional clearance and handover information we reserve the right to charge you a reasonable fee for the provision of handover information, for example if a significant amount of work is involved or consists of information already provided by you or to you.

9.5 We shall prepare an application for payment for all work performed up to the date that you advise us of the termination of the engagement. This applies whether or not the engagement is complete, and regardless of whether or not any transaction or matter you have asked us to assist with has been successful. If you are paying by monthly standing order we shall send you a final statement showing the balance on your account. Any balance will be due for payment within 30 days of issue.

10 ELECTRONIC AND OTHER COMMUNICATION, CLIENT PORTAL AND CLOUD-BASED SYSTEMS

10.1 Unless you instruct us otherwise we may, if appropriate, communicate with you and with third parties by email or other electronic means. The recipient is responsible for virus checking emails and any attachments.

10.2 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. We cannot accept liability for any consequences of emails not reaching, or being delayed in reaching, their intended recipient. 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 paper mail, other than when electronic submission is mandatory.

- 10.3 We do not take responsibility and we shall not be liable for any loss suffered if you transfer money to the wrong bank account. Please speak to a contact already known to you within the practice to verify bank details sent to you by email before transferring any money. If you receive an email from Morris Lane requesting your bank details, please contact us immediately to clarify.
- 10.4 If you have an important message for us which you do not give to the person who needs to receive it, you should not assume that the message has been received without contacting us to obtain confirmation.
- 10.5 Any communication by us with you sent through the postal system is deemed to arrive at your postal address three working days after the day the document was sent.
- 10.6 You are required to keep us up to date with accurate contact details at all times. This is important to ensure that communications and papers are not sent to the incorrect address.
- 10.7 We may, at our discretion, provide you with a free portal service to allow secure exchange of files between us and for on-demand access to shared documents. Details of our portal service supplier are available on request. At our discretion, we may change how the portal service is offered. We will provide you appropriate notice of any changes that may affect your usage.
- 10.8 We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful access to data in the portal and against accidental loss or destruction of, or damage to, the data.
- 10.9 If you decide to stop using our services, we will disable all user access to your portal.
- 10.10 You agree that you or your staff will:-
 - a) control which files are uploaded to the portal;
 - b) remove files from the portal when they are no longer needed;
 - c) not provide access to any other third parties;
 - d) notify us immediately if you wish to stop using the services of the firm so that we can disable access in a timely manner.
- 10.11 If you have agreed to provide us with access to your cloud-based accounting or other software we shall not be responsible for any failure to deliver services which rely on access to this software due to errors in transmission, internet outages, supplier infrastructure issues or any other failure that results in unavailability of the service. We are also not liable for any loss or corruption of data if you have breached the service provider's terms.
- 10.12 At all times you are responsible for maintaining appropriate IT security measures for any cloud-based services you use.
- 10.13 If you have agreed to provide us with access to your cloud-based accounting or other software we shall be responsible for:-

- a) ensuring only our authorised staff are provided appropriate levels of access to your cloud-based systems; and
- b) ensuring that all usernames, passwords and any additional authentication measures required for access are kept secure and not shared with unauthorised individuals.

11 EMPLOYEES

- 11.1 You agree not to solicit or approach any employee of ours with a view to engaging them directly or indirectly.
- 11.2 Should for any reason we agree to such an engagement as contemplated above you agree to compensate us to the extent of the annual salary we pay to that employee. VAT will be added to any invoice in this connection.

12 FEES AND PAYMENT TERMS

- 12.1 Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility, the importance and value of the advice we provide, the degree of complexity, as well as the level of risk and the speed of response required. If you request us to work outside normal office hours this will be charged at a premium.
- 12.2 If we provide you with an estimate of our fees for any specific work, the estimate will not be contractually binding unless we explicitly state that will be the case. Otherwise, our fees will be calculated on the basis of the hours worked by each member of staff necessarily engaged on your affairs, multiplied by their charge-out rate per hour, VAT being charged thereon. Indicative hourly charge-out rates at 6 November 2023 were as follows:-

- Partner £375
- Manager £165 - 235
- Qualified accountant £100 - 160
- Assistant £40-90

Hourly charge-out rates are increased at least annually and can be provided to you on request.

- 12.3 The hours worked will include all time spent in dealing with the engagement. This may include meetings with you and others; time spent travelling; initial set-up matters including client identification and other regulatory requirements; considering the facts, options available and applicable laws and standards; preparing and working on documents, reports, correspondence and emails; making and receiving telephone calls; and internal discussions and planning, and all other relevant work. Time is recorded in 6-minute intervals with a minimum charge of 0.1 of the relevant hourly rate.
- 12.4 If requested, we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto. Quoted and fixed fees will increase annually by the rate of inflation, unless a new fee is otherwise agreed.
- 12.5 Should we be required to withdraw from the engagement or terminate the engagement in line with any of the provisions within this engagement letter, schedules of services and terms of business, you agree that we have a right to bill you for our time spent on any work that is not completed as a result of our resignation.

- 12.6 Ad hoc queries by way of telephone and email enquiries are not routine compliance and may result in additional fees. Where appropriate we will aim to discuss and agree additional fees but it may not always be possible to agree these in advance and we reserve the right to charge you an additional fee for these queries.
- 12.7 In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such insurance was arranged through us, you will need to advise us of any such insurance cover you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.
- 12.8 We will bill at intervals which we consider to be appropriate. If you prefer to be billed monthly or quarterly please let us know and we shall try to accommodate this request.
- 12.9 Our invoices will be due for payment within 30 days of issue.
- 12.10 Our fees are exclusive of VAT which will be added where it is chargeable. Any disbursements we incur on your behalf, and expenses incurred in the course of carrying out our work for you, will be added to our invoices where appropriate.
- 12.11 Unless otherwise agreed to the contrary, our fees do not include the costs of any third party, counsel or other professional fees. If specialist advice is required, we may need to seek this from, or refer you to, appropriate specialists. If these costs are incurred to fulfil our engagement, such necessary additional charges may be payable by you.
- 12.12 It is our normal practice to issue 'applications for payment'. The payment terms for 'applications for payment' are the same as for invoiced fees. A VAT invoice will be issued upon receipt of your payment.
- 12.13 We may ask you to pay by monthly standing order and periodically to adjust the monthly payment by reference to actual billings. Unless you have notified us as set out in 12.18, monthly standing orders will be applied against the oldest outstanding fee application irrespective of any fixed fee agreement we may have with you.
- 12.14 If we are holding money in our client's account on your behalf, and if 30 days has elapsed without you querying an invoice, application for payment or fee statement we have issued to you, then we may withdraw the money held in the client account in payment or part-payment of our fees.
- 12.15 If you fail to make a payment due to us under this agreement by the due date, then without limiting our remedies under clause 23, we reserve the right to charge you interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause will accrue each day at 8% a year above the Bank of England's base rate from time to time, but at 8% a year for any period when that base rate is below 0%. We also reserve the right to charge you reasonable costs of recovering the debt including recovery of our legal fees.
- 12.16 We also reserve the right to suspend our services or to cease to act for you, having given written notice, if payment of any fees is unduly delayed.
- 12.17 We intend to exercise the rights set out in clauses 12.15 and 12.16 only if it is fair and reasonable to do so.

12.18 If you do not accept that an invoiced fee or application for payment is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.

13 GUARANTEE

13.1 If our client is a limited company, limited liability partnership, trust or for some other reason we do not receive instructions direct from the client then the person that gives us those instructions must guarantee payment of all sums due from the client to us.

13.2 If the client defaults in payment of any sum due to us then the guarantor shall pay to us on demand, without set-off or other deduction, an amount equal to the amount so unpaid. A certificate by us of the amount so payable shall be conclusive unless manifestly incorrect. We may make demand on the guarantor without prior demand on the client. Such demand may be delivered personally to the guarantor or sent by post or fax at the address last known by us for the guarantor which shall be deemed to have been received by the guarantor 24 hours after posting (where sent by first class pre-paid post), immediately on delivery (when delivered personally) and immediately upon sending (where sent by fax) whether or not it is actually received.

13.3 This guarantee shall:-

- a) where given by more than one person, be binding on each such person jointly and severally; and
- b) apply to any sum due to us from the client, now or in the future, whether under these terms or under any amended terms agreed between the client and us.

13.4 This guarantee may be cancelled or revoked as to future indebtedness by the guarantor giving two months' notice in writing to us and in the case of more than one guarantor notice by one shall not cancel or revoke the guarantee of any other.

13.5 If our client is a company, limited liability partnership, trust or other entity that is part of a group, we reserve the right to seek payment from the parent company giving us instructions on behalf of the client and we shall be entitled to enforce any sums due against the group company.

14 HMRC

14.1 We will register as your agent with HMRC for all tax services you have engaged us to undertake, either via a paper 64-8 form signed by you or via an electronic code which will be sent to you to forward on to us. This authorises HMRC to communicate with us as your agent, although they consider that you should still take 'reasonable care' over your tax affairs.

14.2 If you have engaged us for tax services, you will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC in respect of those tax services, in sufficient 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 (or the electronic equivalent) has been 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, and, in most cases, will not do so.

14.3 If you operate a business which is not already registered for VAT, you are responsible for determining whether the business is required to be registered for VAT in the UK or in an EU member state. If you do not understand what you need to consider or what action you need to take, please ask us. We will not be in a position to assist you in complying with your

responsibilities if we are not engaged to provide such a service. We are not responsible for penalties and interest that are incurred.

- 14.4 You are responsible for employment taxes, pensions (including auto-enrolment) and the assessment of the employment status of your workers. If your business is not small, you are responsible for assessing the employment status under the off-payroll working rules of any contractors providing services to your business and for employment taxes if they are deemed employees. If you do not understand what you need to consider or what action you need to take, please ask us. We will not be in a position to assist you in complying with your responsibilities if we are not engaged to provide such a service. We are not responsible for penalties and interest that are incurred.
- 14.5 When accessing information held electronically by HMRC, we may have access to more information than we need and will only access records reasonably required to carry out the contract.
- 14.6 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. For more information about 'Your Charter' for your dealings with HMRC, visit <https://www.gov.uk/government/publications/hmrc-charter>. To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you.
- 14.7 You are responsible for bringing to our attention any errors, omissions or inaccuracies in your returns that you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure. In particular you give us the authority to correct errors made by HMRC if we become aware of them. In addition, we will not undertake tax planning which breaches Professional Conduct in Relation to Taxation. We will therefore comply with the general anti-abuse rule and the targeted anti-avoidance rule. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. We can provide copies of these requirements on request. The requirements are also available online at <https://www.icaew.com/regulation>.

15 IMPLEMENTATION

- 15.1 We will only assist with implementation of our advice if specifically instructed and agreed in writing.

16 INTELLECTUAL PROPERTY RIGHTS AND USE OF OUR NAME

- 16.1 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.
- 16.2 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.

17 INTERPRETATION

- 17.1 If any provision of our engagement letter or terms of business is held to be void, that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted. In the event of any conflict between these terms of business and the engagement letter or schedules, the relevant provision in the engagement letter or schedules will take precedence.

18 INTERNAL DISPUTES WITHIN A CLIENT

- 18.1 If we become aware of a dispute between the parties who own the entity or who are in some way involved in its ownership and management, it should be noted that our client is the entity and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all parties we will continue to supply information to the normal address for correspondence for the attention of the principals. If conflicting advice, information or instructions are received from different principals we will refer the matter back to the management board and take no further action until the management board has agreed the action to be taken.

19 INVESTMENT ADVICE (INCLUDING INSURANCE DISTRIBUTION SERVICES) AND CREDIT-RELATED SERVICES

- 19.1 Investment business is regulated by the Financial Services and Markets Act 2000. If, during the provision of professional services to you, you need advice on investments, including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority. However, as we are licensed by ICAEW, we may be able to provide certain investment services that are complementary to, or arise out of, the professional services we are providing to you. Such advice may include arranging certain share transfers, or with your consent, introducing you to an independent financial adviser. In the unlikely event that we cannot meet our liabilities to you, you may be able to claim compensation under the Chartered Accountants' Compensation Scheme in respect of exempt regulated activities undertaken. Further information about the scheme and the circumstances in which grants may be made is available on ICAEW's website: www.icaew.com/cacs.
- 19.2 In relation to the conduct of insurance distribution activities, we are an ancillary insurance intermediary. We are not authorised by the Financial Conduct Authority. However, we are included on the register maintained by the Financial Conduct Authority so that we can carry on insurance distribution activity, which is broadly the advising on, selling, and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by ICAEW. The register can be accessed from the Financial Conduct Authority's website at www.fca.org.uk/register.
- 19.3 To enable us to provide you with a proper service, there may be occasions when we will need to contact you without your express permission concerning investment business matters. We may therefore contact you in such circumstances. We shall, of course, comply with any restrictions you may wish to impose which you notify to us in writing.
- 19.4 We are regulated by ICAEW to provide certain credit-related services where these are complementary to or arise out of the professional services we are providing to you. If, during the provision of professional services to you, you need advice beyond what we are permitted to do, we may have to refer you to someone who is authorised by the Financial Conduct Authority.

20 LEGAL RESPONSIBILITY

- 20.1 Legal responsibility for approval of statutory accounts, tax returns, government forms and similar documents cannot be delegated to others. You agree to check that documents that we have prepared for you are correct and complete before approving them.
- 20.2 You are no less responsible for errors in unapproved documents, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the documents.

20.3 Even though you are engaging us to help you meet your obligations, you are legally responsible for ensuring that:-

- a) any statutory accounts, tax returns, government forms and similar documents submitted are correct and complete;
- b) any statutory accounts, tax returns, government forms and similar documents are filed by the due date; and
- c) any tax is paid on time.

Failure to do any of the above may lead to penalties and/or interest.

20.4 To enable us to carry out our work you agree:-

- a) that all statutory accounts, tax returns, government forms and similar documents are to be made on the basis of full disclosure;
- b) to provide full information necessary for dealing with your affairs; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents (unless we are specifically engaged to do so); and
- c) to authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with your affairs.

21 LIEN

21.1 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.

22 LIMITATION OF THIRD PARTY RIGHTS

22.1 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 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 not listed in the engagement letter, for any advice, information or material produced as part of our work for you that you make available to them. A party to this agreement is the only person who has the right to enforce any of its terms, and no rights or benefits are conferred on any third party under the Contracts (Rights of Third Parties) Act 1999.

23 PERIOD OF ENGAGEMENT AND TERMINATION

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

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

- 23.3 We reserve the right to terminate the engagement between us with immediate effect in the event of: your insolvency, 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.
- 23.4 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.
- 23.5 If you engage us for a one-off piece of work (for example advice on a one-off transaction or preparation of a tax return for one year only) the engagement ceases as soon as that work is completed. The date of completion of the work is taken to be the termination date and we owe you no duties and we will not undertake further work beyond that date.
- 23.6 Where recurring work is provided (for example ongoing compliance work such as the completion of annual tax returns) the engagement ceases on the relevant date in relation to the termination as set out above. Unless immediate termination applies, in practice this means that the relevant termination date is:
- 21 days after the date of notice of termination; or
 - a later agreed date.
- 23.7 We owe you no duties beyond the date of termination and will not undertake any further work.

24 POST REDIRECTION

- 24.1 Where we agree that our offices may be used as a registered office or business address, we shall forward post received by us on your behalf to the address you provide where in our opinion it requires a response from you. We shall not forward post that in our opinion is junk mail, circulars, marketing or advertising.
- 24.2 Post may be opened before being forwarded to you.
- 24.3 We may opt to forward post to you by email. If you require the original hard copy document, you must advise us within 14 days.
- 24.4 Post redirection is free of charge whilst you remain our client. If you disengage us, we may charge you for forwarding post and acting as a registered office or business address.

25 PROFESSIONAL RULES AND STATUTORY OBLIGATIONS

- 25.1 We will observe and act in accordance with the bye-laws, regulations and Code of Ethics of ICAEW including Professional Conduct in Relation to Taxation and will accept instructions to act for you on this basis.
- 25.2 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 <https://www.frc.org.uk/auditors/audit-assurance/standards-and-guidance>. We are also required to comply with the Audit Regulations and Guidance which can be accessed at <https://www.icaew.com/regulation/working-in-the-regulated-area-of-audit>.

25.3 The implications of professional body membership as it relates to GDPR are set out in the privacy notice, which should be read alongside these terms of business.

26 QUALITY CONTROL

26.1 As part of our ongoing commitment to provide a quality service, our files are periodically reviewed by an independent regulatory or quality control body. These reviewers are highly experienced professionals and are bound by the same rules of confidentiality as our staff.

27 RELIANCE ON ADVICE

27.1 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. Advice is valid as at the date it was given.

28 RETENTION AND OWNERSHIP OF PAPERS

28.1 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. When we cease to act for you we will seek to agree the position on access to cloud-accounting records to ensure continuity of service. This may require you to enter direct engagements with the software providers and pay for that service separately. Documents and records relevant to your tax affairs are required by law to be retained as follows:-

Individuals, trustees and partnerships:-

- with trading or rental income: 5 years and 10 months after the end of the tax year;
- otherwise: 22 months after the end of the tax year;

Companies, limited liability partnerships and other corporate entities:-

- 6 years from the end of the accounting period.

28.2 Although certain documents may legally belong to you, we may destroy correspondence and other papers, that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must tell us if you wish us to keep any document for any longer period.

28.3 Unless a document has been issued to you by us as a result of the engagement, or has been provided to us by you, all documents, information, internal emails, notes and memoranda, working papers, file notes and other records which have been prepared or obtained by us are owned by us.

29 THE PROVISION OF SERVICES REGULATIONS 2009

29.1 We are registered to carry on audit work in the UK by ICAEW. Details of our audit registration can be viewed at www.auditregister.org.uk under reference number C004253486.

29.2 In accordance with our professional body rules, we are required to hold professional indemnity insurance. Details about the insurer and coverage can be found at our offices or by request from us.

29.3 Our services are subject to VAT. Our VAT number is 423 7013 86.

30 TIMING OF OUR SERVICES

30.1 If you provide us with all information and explanations on a timely basis in accordance with our requirements, we will plan to undertake the work within a reasonable period of time to meet any regulatory deadlines. However, failure to complete our services before any such regulatory deadline would not, of itself, mean that we are liable for any penalty or additional costs arising. On request we can advise you of the latest date by which we need to have received all relevant information from you in order to meet any regulatory deadlines. If feasible we may agree to complete the work within a shorter period but we may charge an additional fee for so doing.