

GOPSALL AUDIT SERVICES LIMITED

TERMS OF BUSINESS (v2 03.2023)

1 APPLICABLE LAW

- 1.1 This engagement letter 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 the engagement letter (including the firm's terms of business) and any matter arising from it. Each party irrevocably waives any right it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.
- 1.2 Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This paragraph does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 1.3 The advice we give you is for your sole use and is confidential to you and will not constitute advice for any third party to whom you may communicate it. We will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

2 QUALITY OF SERVICE

We aim to provide you with a fully satisfactory service and the engagement partner will seek to ensure that this is so. If, however, you are unable to deal with any difficulty through them and their team please contact Peter White. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may of course take up the matter with the Institute of Chartered Accountants in England and Wales (ICAEW) by whom we are regulated.

3 INVESTMENT ADVICE

We are not authorised by the Financial Conduct Authority to conduct Investment Business. If you require investment business services we will refer you to a firm authorised by the Financial Conduct Authority.

4 FEES AND PAYMENT TERMS

- 4.1 Our fees may depend not only on the time spent on your affairs by the partners and our staff and on the levels of skill and responsibility involved, but also the level of risk identified and any advice provided. Unless otherwise agreed, our fees will be billed at appropriate intervals during the course of the year and will be due on presentation.

Chartered Accountants, Tax and Business Advisers

4 HRFC Business Centre, Leicester Road, Hinckley, LE10 3DR. Tel: 03333 448459. Email: enquiries@gopsall.co.uk

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- 4.2 We may indicate a fixed or indicative fee for the provision of specific services. We will not usually identify fixed fees for more than a year in advance as these may need to be revised in light of subsequent events. Where we estimate our fees for any specific work, this will not be binding unless this is clearly stated to you.
- 4.3 If it is necessary to carry out work outside the responsibilities outlined in this letter it will involve additional fees. Accordingly we would like to point out that it is in your interests to ensure that your records etc., are completed to the agreed stage.
- 4.4 Our fees will exclude out of pocket expenses. Out of pocket expenses (plus VAT (if applicable)) will be billed as incurred for reimbursement by you.
- 4.5 Invoices are payable in full before any report issued by us is signed and any relevant accounts are made available by us.
- 4.6 It is our normal practice to request that clients make arrangements to pay a proportion of their fee on a monthly direct debit. We do not charge any interest or charges except for default charges. These standing orders will be applied to fees arising from work agreed in this letter of engagement for the current and ensuing years. Once we have been able to assess the amount of work and time involved, we would be grateful if you would agree to pay an amount to us on a regular basis.
- 4.7 Our terms relating to payment of amounts invoiced and not covered by direct debits, where appropriate, are strictly payment on presentation of invoice. We reserve the right to charge interest on all overdue debts at the rate for the time being applicable under the Late Payment of Commercial Debts (Interest) Act 1998. At our request, you must also reimburse us for the full cost of recovering any overdue payment from you.
- 4.8 Where we are instructed by or on behalf of more than one person or company in relation to any particular matter, each person or company for whom we act will be jointly and severally responsible for payment of the full amount of our fees and disbursements.

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5 RETENTION OF AND ACCESS TO RECORDS

- 5.1 During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following the preparation of your accounts and returns or us issuing our letter of advice.
- 5.2 Whilst certain documents may legally belong to you, we intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we consider to be of continuing significance. If you require retention of any document you must notify us of that fact in writing.

6 AML OBLIGATIONS

In common with all accountancy and legal practices, we are required by the Proceeds of Crime Act 2002, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Sanctions and Anti-Money Laundering Act 2018 and other relevant legislation to:

- have due diligence procedures for the identification of all clients;
- maintain appropriate records of evidence to support client due diligence; and
- report suspected offences to the authorities in accordance with the relevant legislation and regulations.

7 ELECTRONIC COMMUNICATION

- 7.1 Internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. We do not accept responsibility for any errors or problems that may arise through the use of internet communication and all risks connected with sending commercially sensitive information relating to your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.
- 7.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

8 DATA PROTECTION

- 8.1 To enable us to discharge the services agreed in this engagement letter, comply with related legal and regulatory obligations and for other related purposes including updating and enhancing client records and analysis for management purposes, as a data controller, we may obtain, use, process

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and disclose personal data about you, your business, company, partnership, its shareholders, members, officers and employees as described in our privacy notice. We confirm when processing data on your behalf that we will comply with the provisions of all relevant data protection legislation and regulation.

- 8.2 You are also an independent controller responsible for complying with data protection legislation and regulation in respect of the personal data you process and, accordingly, where you disclose personal data to us you confirm that such disclosure is fair and lawful and otherwise does not contravene relevant requirements. Nothing within this engagement letter relieves you as a data controller of your own direct responsibilities and liabilities under data protection legislation and regulation.
- 8.3 Our privacy notice, as set out on our website under privacy policy, explains how we process personal data in respect of the various services that we provide.
- 8.4 The remainder of this paragraph will apply where we process Personal Data on your behalf as part of the services provided by us to you. In this paragraph, the following terms have the meanings given below:

Controller, Processor, Data Subject, Personal Data, Personal Data Breach, processing and appropriate technical and organisational measures: as defined in the Data Protection Legislation.

Data Protection Legislation: all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR; the Data Protection Act 2018 (and regulations made thereunder) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended

Domestic Law: the law of the United Kingdom or a part of the United Kingdom.

UK GDPR: has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

- 8.5 You and we both acknowledge that for the purposes of the Data Protection Legislation, you are the Controller and we are the Processor. The scope, nature and purpose of processing by us, the duration of the processing and the types of Personal Data and categories of Data Subject processed are all as set out in our relevant Professional Services Schedule(s).
- 8.6 You must ensure that you have all necessary appropriate consents and notices in place to enable lawful transfer of the Personal Data to us for the duration and purposes of this agreement.

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8.7 We shall, in relation to any Personal Data processed in connection with the performance by us of our obligations under this agreement:

- (a) process that Personal Data only on your documented written instructions or as set out in our relevant Professional Services Schedule(s) unless we are required by Domestic Law to otherwise process that Personal Data. Where we are relying on Domestic Law as the basis for processing Personal Data, we shall promptly notify you of this before performing the processing required by the Domestic Law unless the Domestic Law prohibits us from so notifying you;
- (b) ensure that we have in place appropriate technical and organisational measures to protect against unauthorised or unlawful processing of Personal Data and against accidental loss or destruction of, or damage to, Personal Data, appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures;
- (c) ensure that all personnel who have access to and/or process Personal Data are obliged to keep the Personal Data confidential; and
- (d) not transfer any Personal Data outside of the UK or EEA unless your prior written consent has been obtained and the following conditions are fulfilled:
 - (i) either you or we have provided appropriate safeguards in relation to the transfer;
 - (ii) the data subject has enforceable rights and effective legal remedies;
 - (iii) we comply with our obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred; and
 - (iv) we comply with reasonable instructions notified to us in advance by you with respect to the processing of the Personal Data;
- (e) assist you, at your cost, in responding to any request from a Data Subject and in ensuring compliance with your obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;
- (f) notify you without undue delay on becoming aware of a Personal Data Breach in relation to the Personal Data processed by us for you;

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- (g) at your written direction, delete or return Personal Data and copies thereof to you on termination of this agreement unless required by Domestic Law to store the Personal Data; and
- (h) maintain complete and accurate records and information to demonstrate our compliance with this paragraph.

8.8 We will not appoint any third party processor of Personal Data under this agreement without your prior written consent.

9 CONFIDENTIALITY

9.1 Where you give us confidential information, we confirm that we shall at all times keep it confidential, other than as required by law, by our insurers, or as provided for in regulatory (including external peer reviews), ethical or other professional statements relevant to our engagement. This will apply during and after this engagement.

9.2 We may subcontract our work to other professionals within the sector. Any subcontractors are also bound by our client confidentiality terms.

10 EXTERNAL REVIEW

As part of our ongoing commitment to providing a quality service, our files are periodically reviewed by an independent regulatory or quality control body. These reviewers are highly experienced and professional people and, of course, are bound by the same rules of confidentiality as us.

11 PROFESSIONAL RULES AND PRACTICE GUIDELINES

We will observe and act in accordance with the bye-laws, regulations and Code of Ethics of the ICAEW and accept instructions to act for you on this basis. In particular, you give us the authority to correct errors made by HMRC where we become aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements in our offices. The requirements are also available on the internet at www.icaew.com/regulations.

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12 CONFLICTS OF INTEREST

- 12.1 We reserve the right during our engagement with you to deliver services to other clients whose interests might compete with yours or are or may be adverse to yours, subject to our confidentiality obligations at paragraph 9. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting your business.
- 12.2 If a conflict of interest should arise, either between two or more of our clients, or in the provision of multiple services to a single client, we will take such steps as are necessary to deal with the conflict. In resolving the conflict, we would be guided by our Code of Ethics which can be viewed on the internet at the address above.

13 INSURANCE

Notwithstanding any other provision of this agreement (and without prejudice to paragraph 15 which shall prevail to the maximum extent permitted by law), our total liability to you arising in relation to the services we provide to you shall not exceed the total amount which we can recover from our professional indemnity insurers for any single claim. The amount we can recover from our insurer shall be the maximum aggregate liability of this firm, its agents and employees to you and also any other person that we may have agreed can rely on our work. Details of our current insurer and our insurance limits are available on request.

14 TIMING OF OUR SERVICES

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 in order to meet any regulatory deadlines. However, failure to complete our services prior to any such regulatory deadline would not, of itself, mean that we are liable for any penalty or additional costs arising.

15 LIMITATION OF LIABILITY

- 15.1 We will provide our services with reasonable care and skill.

Exclusion of liability for loss caused by others

- 15.2 We will not be liable if such losses, penalties, interest or additional tax liabilities are caused by the acts or omissions of any other person or due to the provision to us of incomplete, misleading or false information, or if they are caused by a failure to act on our advice or a failure to provide us with relevant information.

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- 15.3 In particular, where we refer you to another firm with whom you engage directly, we accept no responsibility in relation to their work and will not be liable for any loss caused by them.

Exclusion of liability in relation to circumstances beyond our control

- 15.4 We will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

Exclusion of liability relating to non-disclosure or misrepresentation

- 15.5 We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or misrepresented to us.
- 15.6 This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures that we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry beyond that which it would have been reasonable for us to have carried out in the circumstances.

Indemnity for unauthorised disclosure

- 15.7 You agree to indemnify us and our agents in respect of all costs, losses, expenses, claims and demands (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including all professional legal and other costs incurred by us and payment at our usual rates for the time that we spend in defending it.

Limitation of aggregate liability

- 15.8 Our liability to you is limited to losses, damages, costs and expenses directly caused by our negligence or wilful default. We shall not be liable for any loss, damage, costs or expenses of an indirect or consequential, special or exemplary nature including without limitation any economic loss or other loss of turnover, profits, opportunities, business or goodwill.
- 15.9 You are engaging Gopsall Audit Services Limited to provide services to you. No director or employee of Gopsall Audit Services Limited will be personally liable to you nor do they accept or assume personal responsibility to you or any third-party for carrying out any professional services.

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15.10 The advice which we provide is personal to you. No other third parties can rely on the advice, reports, accounts or information which we give to you.

15.11 Nothing in this agreement seeks to limit or exclude our liability to you for fraud or for death or personal injury caused by our negligence. However, we will not be liable for loss caused by others or for circumstances beyond our control.

16 THE CONSUMER CONTRACTS (INFORMATION, CANCELLATION AND ADDITIONAL CHARGES) REGULATIONS 2013 – CONSUMER’S RIGHT TO CANCEL

If you are a consumer (within the meaning of the Consumer Rights Act 2015), the following paragraph will apply. Where we have not met you in person on our premises to agree the terms of our appointment, you have the right to cancel this contract within 14 days of entering into it without giving any reason. The cancellation period will expire after 14 days from the date the contract is entered into. Should you wish to exercise your right to cancel, please inform us in writing before the cancellation period has expired. By returning any documents requested by us or providing any initial payment requested, you are providing your agreement to enable us to commence work within the 14-day cancellation period. Where you have provided your consent for work to commence within the 14-day cancellation period and you later exercise your right to cancel, you will be liable for any costs and disbursements incurred up to the point of cancellation. Unless you make an express request for us to commence work within the 14-day period, we are entitled to refuse to carry out any work during that period.

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