

Maslins

Chartered Tax Advisers

This letter and the attached terms of business set out the basis on which we are to provide services as accountants, and your and our respective responsibilities.

1.0 RESPONSIBILITIES AND SCOPE FOR ACCOUNTING SERVICES

1.1 Your responsibilities for the preparation of financial information

1.1.1 You will maintain your FreeAgent account with accurate, up to date information, and you will disclose to us all relevant information in full.

1.1.2 You are responsible for ensuring that, to the best of your knowledge and belief, financial information is accurate and complete, that the activities of the business are conducted honestly, and for taking reasonable steps to prevent and detect fraud and other irregularities.

1.1.3 You will approve and sign the accounts and tax return to acknowledge responsibility for them, and for providing us with all information and explanations necessary for their compilation.

1.1.4 You are responsible for ensuring that the business complies with the laws and regulations that apply to its activities, and for preventing non-compliance and for detecting any that occurs.

1.1.5 You are responsible for filing VAT returns, though we will flag when these are due and assist where required.

1.1.6 You are responsible for notifying us of any changes required to your monthly payroll, by email, prior to the 20th of each month where we submit this on your behalf.

1.1.7 You'll email us important documentation received from HMRC/Companies House by post.

1.2 Our responsibilities as accountants

1.2.1 You have asked us to:

- (a) submit statutory accounts & corporation tax return for the company;
- (b) assist with quarterly VAT returns for the company (where required);
- (c) submit basic payroll for your company (where required). This is only available for simple, director only payrolls at a fixed level each month;
- (d) submit your personal tax return; and
- (e) assist with any minor ad hoc queries as required whilst we act for you.

We will compile these for your approval based on the accounting records that you maintain and the information and explanations that you give us.

1.2.2 Our work will not be an audit in accordance with International Standards of Auditing (UK and Ireland). So we will not be able to provide any assurance that the financial statements are free from material misstatement by fraud or error, nor to identify weaknesses in internal controls.

1.2.3 We have a professional duty to compile financial information that conforms to the generally accepted accounting principles for the purpose for which the information is prepared.

1.2.4 We also have a professional responsibility not to allow our name to be associated with accounts which we believe may be misleading. Therefore, although we are not required to search

for such matters, should we notice irregularities, we will discuss these with you with a view to agreeing appropriate adjustments and/or disclosures. In circumstances where these are not made, and we consider that the accounts are misleading, we will withdraw from the engagement.

2.0 LIMITATION OF LIABILITY

2.1 We will provide services as outlined in this letter with reasonable care and skill. However, we will not be responsible for any losses, penalties, interest or additional tax liabilities where you or others supply incorrect or incomplete information, or fail to supply any appropriate information or where you fail to act on our advice or respond promptly to communications from us or HMRC.

2.2 You will not hold us responsible for any loss suffered by you arising from any misrepresentation (intentional or unintentional) supplied to us orally or in writing.

2.3 Our work is not, unless there is a legal requirement, to be made available to third parties without our permission and we accept no responsibility to third parties for any aspect of our work.

3.0 COMMUNICATING WITH YOU

3.1 We will communicate with you and anyone you authorise us to in relation to the accounts.

3.2 We may communicate with you by email. As with other means of delivery this carries with it the risk of inadvertent misdirection or non-delivery. The recipient is responsible for carrying out a virus check on attachments.

4.0 AGREEMENT OF TERMS

4.1 Period of engagement

4.1.1 This engagement will start upon receipt, by us, of this signed engagement letter.

4.1.2 Once agreed, this letter will remain effective from the date of signature until it is replaced. You or we may agree to vary or terminate our authority to act on your behalf at any time without penalty. Notice of variation or termination must be given in writing.

4.2 Confirmation of your agreement

4.2.1 Please confirm your agreement to the terms of this letter by e-signing below.

4.2.2 If this letter and the attached terms of business are not in accordance with your understanding of our terms of appointment, please let us know.

I acknowledge receipt of this letter, and agree to it, which together with the terms of business fully records the agreement between us concerning your appointment to carry out the work described.

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TERMS OF BUSINESS

The following terms of business apply to all engagements accepted by Maslins.

1.0 Professional rules and practice guidelines

1.1 We will observe the bye-laws, regulations and ethical guidelines of the Chartered Institute of Tax (CIOT). You can see copies of these requirements at tax.org.uk/professional-standards.

2.0 Investment advice

2.1 We are not authorised by the FCA to provide investment advice. Therefore we cannot carry on insurance mediation activity, including advising on, selling and administration of insurance contracts.

3.0 Commissions or other benefits

3.1 Maslins do not and will not accept offers of commissions/kickbacks from third parties who provide services or products to clients. Receiving any such payments causes a conflict of interest, encouraging accountants to recommend options most lucrative for themselves, rather than best for you as client. Where commissions are offered, we will seek to negotiate discounts for you instead.

4.0 Clients' money regulations

4.1 We may, from time to time, hold money on your behalf. The money will be held in trust in a client bank account, segregated from the firm's funds.

4.2 To avoid excessive administration, interest will only be paid to you where the amount earned on the balances held on your behalf in any calendar year exceeds £25.00. If the total sum of money held on your behalf is enough to give rise to a significant amount of interest or is likely to do so, then we will put the money in a designated interest-bearing account and pay the interest to you. Subject to any tax legislation, interest will be paid gross.

5.0 Retention of records

5.1 During our work we will collect information, and will return any original documents to you following preparation of your financial statements and tax return. You should retain them for 6 years following the tax year, or longer if HM Revenue & Customs enquire into your tax return.

6.0 Conflicts of interest and independence

6.1 We reserve the right during our engagement with you to deliver services to other clients whose interests might compete with yours, subject to 7 below. We confirm that we will notify you immediately should we become aware of any conflict of interest.

7.0 Confidentiality

7.1 We confirm that where you give us confidential information, we shall at all times keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional statements relevant to our engagement.

8.0 Data Protection Act 1998/GDPR 2018

8.1 To enable us to discharge the services agreed, and for other related purposes including updating client records, crime prevention and regulatory compliance, we may obtain, process and disclose personal data about you/your business/company/its officers/employees. We confirm that we will comply with the relevant provisions of the Data Protection Act 1998 & GDPR 2018.

9.0 Proceeds of Crime Act 2002 and Money Laundering Regulations 2007

9.1 In common with all accountancy and legal practices, the firm is required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 to:

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

10.0 Quality control

10.1 As part of our ongoing commitment to providing a quality service, our files are periodically reviewed by an independent quality control body. These reviewers are professional people and, of course, are bound by the same rules for confidentiality as our principals and staff.

11.0 Help us give you the best service

11.1 If at any time you would like to discuss with us how we could improve, or if you are dissatisfied, please let us know. We will look into any complaint promptly. If we have provided less than satisfactory service, we undertake to do everything reasonable to put it right.

11.2. If during the course of our relationship you have any concerns about our service you can raise these with Chris Maslin in the first instance. If you raise any concerns which he cannot address to your satisfaction you have the right to take that issue up with CIOT.

12.0 Contracts (Rights of Third Parties) Act 1999

12.1 Only someone who is a party to this agreement has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms. The advice we give you is confidential to you. We accept no responsibility to third parties for any of our work that is made available to them.

13.0 Fees

13.1 Our fees are calculated based on the time spent on your affairs by the principals and staff and the levels of skill/responsibility involved. We promise to stick to any fixed fee quoted, provided you supply us with the information agreed.

13.2 Should fees not be paid, we reserve the right to not submit any relevant items until payment in full has been received.

13.3 If we need to do work outside the responsibilities outlined in our engagement letter which may involve additional fees, we will advise you in advance.

13.4 We reserve the right to charge interest on overdue accounts at the current rate under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to terminate our engagement and cease acting if payment of any fees billed is unduly delayed.

14.0 Applicable law

14.1 Our engagement with you is governed by, and interpreted in accordance with, English law. The Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning our engagement letter and terms of business and any matter arising from or under them. Each party irrevocably waives any right it may have to object to any action being brought in those courts, or to claim that those courts do not have jurisdiction.

15.0 Professional indemnity insurance

15.1. In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is HCC International, of Walsingham House, 35 Seething Lane, London, EC3N 4AH. The territorial coverage is worldwide, excluding professional business carried out from an office in the USA or Canada and excludes any action for a claim brought in any court in the USA or Canada.