

Terms of business

The following terms of business apply to all engagements accepted by Mossgroves LLP. All work is carried out under these terms except where changes are expressly agreed in writing.

1.0 Professional rules and practice guidelines

- 1.1 We will observe the bye-laws, regulations and ethical guidelines of the Institute of Chartered Accountants in England and Wales and accept instructions to provide services to you on the basis that we will act in accordance with them. You can see copies of these requirements in our offices. The requirements are also available on the internet at www.icaew.co.uk/membershandbook.
- 1.2 We confirm that we are Registered Auditors eligible to conduct audits under the Companies Act.

2.0 Investment business and specialist advisers

- 2.1 During the course of our dealings with clients we often become aware of areas where it would be of direct benefit to them for us to involve other professional advisers such as solicitors, stockbrokers or independent financial advisers. Mossgroves LLP is licensed by the Institute of Chartered Accountants in England and Wales and is able to provide certain investment services where these are complementary to or arise out of the professional services we are providing to you, but it may be necessary or desirable to refer you to someone who is authorised by the Financial Services Authority, as we are not. In these cases, and where we have authority to do so, we would normally arrange to discuss matters with a client's existing advisers or, alternatively, with others with whom we have developed strong professional connections.

- 2.2 This could include referrals to HFS Wells Financial Services which is a trading style of HFS Milbourne Financial Services Ltd in association with Mossgroves LLP to make high quality independent financial services advice available to our clients. Milbournes are a Permitted Third Party authorised by the Financial Services Authority.
- 2.3 We believe that this ability to discuss relevant aspects of your financial affairs with other professionals, on the understanding that they will also treat personal and business information as highly confidential, is an important element of the service that we can offer. As a result, please note that the final page of our engagement letter incorporates your authority for us to make such referrals. You should strike through that authority if you do not wish to take advantage of this facility.
- 2.4 If you would like us to deal with, or refrain from dealing with, any specific firms or individuals please provide details in writing when you return the Agreement of Engagement Terms. Where no details are provided any referrals will be to our existing professional connections.

3.0 Commissions or other benefits

- 3.1 In some circumstances we or one of our associates may receive commissions or other benefits for introductions to other professionals or as a result of transactions that we or such associates arrange for you. We may also benefit from any profit made by HFS Wells Financial Services. You agree that we or our associates can retain such amounts without being liable to account to you for them.

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 Clients Money bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Money Regulations of the Institute of Chartered Accountants in England and Wales.



4.2 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 client 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 from you and others acting on your behalf and will return any original documents to you following preparation of your financial statements and tax return. You should retain them for six years from the 31 January following the end of the tax year. You should retain them for longer if HM Revenue & Customs enquire into your tax return.

5.2 Mossgroves LLP maintains most of its internal and client filing in electronic format. Whilst certain documents may legally belong to you, unless you tell us not to we may destroy physical correspondence after three months and all other records 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.

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 or are or may be adverse to yours, subject to 7.0 below. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting you.



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

8.1 To enable us to discharge the services agreed under our engagement, 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 / your business / company / partnership / its officers and employees.

8.2 We confirm when processing data on your behalf we will comply with the relevant provisions of the Data Protection Act 1998.

9.0 Proceeds of Crime Act 2002 and Money Laundering Regulations 2003

9.1 In common with all accountancy and legal practices Mossgroves LLP is required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003 to:

- have identification procedures for all new clients;
- maintain records of identification evidence; and
- report in accordance with the relevant legislation and regulations.

9.2 We will be grateful for your assistance in fulfilling our responsibilities when we ask you initially or subsequently for proof of identity.



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 regulatory or quality control body. These reviewers are highly experienced and professional people and are, of course, bound by the same rules of confidentiality as our partners and staff.

11.0 Help us give you the best service

11.1 We wish to provide a high quality of service at all times. If at any time you would like to discuss with us how we could improve our service, or if you are dissatisfied with the service you are receiving, please let us know by contacting Mr John Wells or Mrs Megan Crellin.

11.2 We will look into any complaint carefully and promptly and do all we can to explain the position to you. If we have given you a less than satisfactory service we undertake to do everything reasonable to put it right. If you are still not satisfied you may of course refer the matter to our Institute.

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. This clause does not affect any right or remedy that exists independently of the Act.

12.2 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.



13.0 Fees

- 13.1 Our fees are agreed in advance of any work being performed.
- 13.2 Fixed price agreements are prepared for your confirmation and signature annually using software pre-loaded with our current fee levels and service bundles.
- 13.3 We require that all fixed price agreement fees are paid monthly by standing order over 10 months, commencing during the first month of your accounting period.
- 13.4 Services that are required in addition to those covered by the fixed fee agreement will be quoted for in advance of work commencing by the issue of an Additional Service Request. This will also be confirmed and signed by you.
- 13.5 Fees are normally subject to VAT.
- 13.6 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, or if there is a disruption in the standing order mandate.
- 13.7 Any changes to the fee basis will only be made after suitable written notice.

14.0 Communicating with you

- 14.1 We may communicate with you or others on your behalf by email. As with other means of delivery this does carry with it the risk of inadvertent misdirection or non-delivery. In all cases the recipient is responsible for carrying out a virus check on the message and any attachments. It may be advisable to get written confirmation of advice provided by email.
- 14.2 In accordance with current developments, documentation being delivered to HM Revenue & Customs, to Companies House and to others is increasingly submitted on-line. It is



possible that internet communications may be corrupted, and we accept no responsibility for changes to such communications after their despatch.

- 14.3 We do not accept responsibility for any errors or problems that may arise through the use of the internet, and you must accept all risks connected with sending commercially sensitive information relating to you or your business in this manner. If you do not accept this risk, you should notify us in writing that email is not acceptable to you.

15.0 Applicable law

- 15.1 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, to claim that the action has been brought in an inconvenient forum, or to claim that those courts do not have jurisdiction.

