1 The Provision of Services Regulations 2009

1.1 Darnells Audit Limited is registered to carry on audit work in the UK by the ICAEW. Details of our audit registration can be viewed at www.auditregister.org.uk under reference number C006769482.

1.2 Our professional indemnity insurers are Allianz Global Corporate & Specialty of 27 Leadenhall Street, London EC3A 4AB. 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 brought in any court in the United States or Canada.

1.3 The professional rules applicable to our audit work are ‘Audit Regulations and Guidance’ which can be found at www.icaew.com/auditnews. There are also the ‘International Standards on Auditing (UK and Ireland)’ at www.frc.org.uk/apb/publications/isa.cfm.

1.4 The code of conduct to which the firm is subject is the ‘Code of Ethics’ of the Institute of Chartered Accountants in England and Wales which can be found at www.icaew.com/membershandbook, section 3. For our audit work we are also subject to the ‘APB Ethical Standards’ at www.frc.org.uk/apb/publications/ethical.cfm.

2 Professional rules and practice guidelines

2.1 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. We confirm that we are Statutory Auditors eligible to conduct audits under the Companies Act 2006.

3 Timing of services

3.1 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 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.

4 Investment services

4.1 Although we are not authorised by the Financial Conduct Authority to conduct Investment Business, we are licensed by the ICAEW to provide certain limited investment services where these are complementary to, or arise out of, the professional services we are providing to you.

4.2 Such assistance may include the following:

- advising you on investments generally, but not recommending a particular investment or type of investment;
- referring you to a Permitted Third Party (PTP) (Darnells Wealth Management Limited (DWM), a firm authorised by the FCA) and assisting you and DWM during the course of any advice given by DWM. This may include comment on, or explanation of, the advice received (but we will not make alternative recommendations). DWM will issue you with their own terms and conditions.
letter, will be remunerated separately for their services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000. The firm may receive commission from such an introduction, in which case you will be fully informed of the expected size and nature of such commission at the time of the introduction.

- advising on the sale of a contractually based investment other than disposing of any rights or interests which you may have as a member of a personal pension scheme;
- advising and assisting you in transactions concerning shares or other securities not quoted on a recognised exchange;
- managing investments or acting as Trustee (or Donee of a Power of Attorney) where decisions to invest are taken on the advice of an authorised person;
- other [as appropriate].

4.3 We may also, on the understanding that the shares or other securities of the company are not publicly traded:

- advise the company, existing or prospective shareholders in relation to exercising rights, taking benefits or share options valuation and methods;
- arrange any agreements in connection with the issue, sale or transfer of the company’s shares or other securities;
- arrange for the issue of the new shares; and
- act as the addressee to receive confirmation of acceptance of offer documents etc.

4.4 If you are dissatisfied in any way with our services described in this section, you should follow the procedures set out in the “Quality of Service” section above. 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.

4.5 Where the firm is providing insurance mediation services (including fee protection), 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 mediation 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 our professional body. The register can be accessed via the Financial Conduct Authority website at www.fca.org.uk/register.

4.6 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. For example, it may be in your interests to sell a particular investment and we would wish to inform you of this. We may therefore contact you in such circumstances, but would only do so in our normal office hours. We shall of course comply with any restrictions you may wish to impose which you notify to us in writing.

5 Client monies

5.1 We may, from time to time, hold money on your behalf. Such 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 the Clients’ Money Regulations of the ICAEW.

5.2 Unless otherwise agreed, all client money will be held in an account which does not pay interest, and interest will not be earned on client money held. If we receive express, written instructions from you that interest should be earned on client money, then, in order to avoid an excessive amount of administration, interest will only be paid to you where the amount of interest that would be earned on the balances held on your behalf in any calendar year exceeds £250. Any such interest will be calculated using the prevailing rate applied by Barclays Bank Plc for small deposits subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.
5.3 We will return monies held on your behalf promptly 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 whom they relate has remained untraced for five years or we as a firm cease to practice, then we may pay those monies to a registered charity.

6 Fees

6.1 Our fees are computed on the basis of the time spent on your affairs by the partners and our staff, and on the levels of skill and responsibility involved, unless specifically agreed with you otherwise.

6.2 Fee notes will be rendered on a monthly basis in principle, although low levels of activity may not justify that approach from time to time.

6.3 All invoices will be due for settlement within thirty days of the date of issue. 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.

6.4 Where special non-routine work is required (e.g., HM Revenue & Customs investigation, cash flow forecast) we reserve the right to request payment for that work before commencement.

6.5 Any disagreement with fee notes issued must be made in writing within fourteen days of the date of issue, otherwise they will be deemed to have been accepted. Only in exceptional circumstances or where prior arrangements have been made, will we commence further work when a previous fee or part thereof remains unpaid.

6.6 Where Darnells cease work because of unpaid fees, then you will be liable for any interest and penalties arising as a result of the cessation of work on your affairs.

6.7 If a client company, Trust or other entity is unwilling or unable to settle our fees, we reserve the right to seek payment from the individual (or parent company) giving us instructions on behalf of the client, and we shall be entitled to enforce any sums due against the group company or individual nominated by you.

6.8 In consideration of Darnells accepting instructions from any private limited company, plc or Partnership, the Directors/Partners signing acceptance on behalf of the company hereby guarantee (and if more than one jointly and severally) all fees and disbursements payable by the company/Partnership to Darnells to the extent that the Directors/Partners shall be jointly and personally liable with the company/Partnership to Darnells Chartered Accountants.

6.9 Insofar as we are permitted to do so by law or 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.

7 Retention of and access to records

7.1 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 any returns. You should retain these records for 6 years from the 31 January following the end of the tax year to which they relate. You should retain them for longer if HM Revenue & Customs enquire into your Tax Return.

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 7 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.

8 Conflicts of interest and independence

8.1 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 clause below. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting you as a client.

8.2 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 below.

9 Confidentiality

9.1 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.

9.2 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.

9.3 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.

9.4 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.

9.5 We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality terms.

9.6 If we use external or cloud-based systems, we will ensure confidentiality of your information is maintained.

9.7 We reserve the right, for the purpose of promotional activity, training or other business purposes, to mention that you are a client. As stated above, we will not disclose any confidential information.

10 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, of course, are bound by the same rules for confidentiality as us.

10.2 When dealing with HM Revenue & Customs 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 HM Revenue & Customs, see www.hmre.gov.uk/charter/index.htm. To the best of our abilities, we will ensure that HM Revenue & Customs meet their side of the Charter in their dealings with you.
11 Help us to give you the right service

11.1 We aim to provide you with a fully satisfactory service that is both efficient and effective. If at any time you are would like to discuss with us how our service could be improved, or if you are dissatisfied with the service you are receiving, please contact your engagement partner either by telephone or in writing.

11.2 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.

11.3 In order for us to provide you with a high quality service on an ongoing basis, it is essential that you provide us with relevant records and information when requested, reply to correspondence in a timely manner and otherwise follow the terms of the agreement between us set out in this Standard Terms of Business and associated Engagement schedules. We therefore reserve the right to cancel the engagement between us with immediate effect in the event of:

- your insolvency, bankruptcy or other arrangement being reached with creditors;
- failure to pay our fees by the due dates;
- either party being in breach of their obligations where this is not corrected within 30 days of being asked to do so.

12 Applicable law

12.1 The Letter of Engagement 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 (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.

12.2 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 clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

12.3 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.

13 Internet communication

13.1 Unless you instruct us otherwise we may, where appropriate, communicate with you and with third parties via email or by other electronic means. However, 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. We will never change our bank details without confirming this to you by posted letter. Any emailed or telephoned communications appearing to be from us which are not confirmed by post are fake and we accept no liability for any loss caused to you through accepting such communications as genuine. Similarly, always give us by hand or by post (as well as by email) details of your bank account.
13.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

14 Data protection and Processing of Client Personal Data

Data protection

14.1 The following definitions apply:

- **Client personal data**: this 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 Letter of Engagement with you;
- **Data protection legislation**: this means all applicable privacy and data protection legislation and regulations including PECR, the GDPR and any applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time;
- ‘Controller’, ‘data subject’, ‘personal data’, and ‘process’ will have the meanings given to them in the data protection legislation;
- ‘GDPR’ means the General Data Protection Regulation ((EU) 2016/679); and

14.2 Where we are a data controller in relation to the personal data provided to us by you, or on your behalf, you are also a data controller. We are not joint controllers with you in respect of such data, instead we will each be considered an independent data controller in relation to the client personal data, and each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.

14.3 You will only disclose client personal data to us where:

- You have provided the necessary information to the relevant data subjects regarding its use (and you may refer to our privacy notice available at elsewhere on our website for this purpose);
- You have a lawful basis upon which to do so, which, in the absence of any other lawful basis, will be with the relevant data subject’s consent; and
- You have complied with the necessary requirements under the data protection legislation to enable you to do so.

14.4 Should you require any further details regarding our treatment of personal data, please contact our Data Protection Point of Contact (Simon Wood, partner) at support@darnells.co.uk or telephone 01803 862446.

14.5 We will only process the client personal data:

- In order to provide our services to you and perform any other obligations in accordance with our engagement with you;
- In order to comply with our legal or regulatory obligations; and
- Where it is necessary for the purposes of our legitimate interests and those interest are not overridden by the data subjects’ own privacy rights. Our privacy notice contains further details as to how we may process client personal data.

14.6 For the purposes of providing our services to you, we may disclose the client personal data to our regulatory bodies or other third parties (for example, tax consultants or other professional advisers for the purpose of obtaining specialist advice). The third parties to whom we disclose such personal data may be located outside the European Economic Area (EEA). We will only disclose client personal data
to a third party (including a third party outside the EEA) provided that the transfer is undertaken in compliance with the data protection legislation.

14.7 We will maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data.

14.8 In respect of the client personal data, provided that we are legally permitted to do so, we will promptly notify you in the event that:

- We receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of our processing of their personal data;
- We are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner’s Officer); or
- We reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.

14.9 Upon the reasonable request of the other, we will each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the services provided to you in accordance with our engagement letter with you in relation to those services.

Data processing

14.10 Where you are the data controller and we are the data processor in relation to the personal data provided to us by you, paragraphs 14.16 to 14.20 below set out 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.

14.11 We will both comply with all applicable requirements of the data protection legislation. This is in addition to, and does not relieve, remove or replace, either of our obligations under the data protection legislation.

14.12 In respect of the client personal data, unless otherwise required by applicable laws or other regulatory requirements, we will:

- Process the client personal data only in accordance with your lawful written instructions, in order to provide you with the services pursuant to our engagement with you and in accordance with applicable data protection legislation;
- Disclose and transfer the client personal data to our regulatory bodies or other third parties (for example, our professional advisors or service providers) as and to the extent necessary in order to provide you with the services pursuant to our engagement with you in relation to those services;
- Disclose the client personal data to courts, government agencies and other third parties as and to the extent required by law;
- Maintain written records of our processing activities performed on your behalf which will include:
  (i) The categories of processing activities performed;
  (ii) Details of any cross-border data transfers outside of the European Economic Area (EEA); and
A general description of security measures implemented in respect of the client personal data.

- Maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of any client personal data and against accidental loss or destruction of, or damage to, such client personal data;
- Return and or delete all the client personal data upon the termination of the engagement with you pursuant to which we agreed to provide the services;
- Ensure that only those personnel who need to have access to the client personal data are granted access to it and that all of the personnel authorised to process the client personal data are bound by a duty of confidentiality;
- Notify you if we appoint a sub-processor (but only if you have given us your prior written consent, such consent not to be reasonably withheld or delayed) and ensure any agreement entered into with the relevant sub-processor includes similar terms as the terms set out in this section;
- Where we transfer the client personal data to a country or territory outside the EEA to do so in accordance with data protection legislation;
- Notify you promptly if:
  - (i) We receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of the client personal data; or
  - (ii) We are served with an information or assessment notice, or receive any other material communication in respect of our processing of the client personal data from a supervisory body (for example, the Information Commissioner’s Officer);
- Notify you, without undue delay, in the event that we reasonably believe that there has been a personal data breach in respect of the client personal data;
- At your cost and upon receipt of your prior written notice, allow you, on a periodic basis and/or in the event that we notify you of personal data breach in respect of the client personal data, reasonable access to the relevant records, files, computer or other communication systems, for the purposes of reviewing our compliance with the data protection laws.

14.13 Without prejudice to the generality of paragraph 14.11 above, you will ensure that you have all necessary appropriate consents and notices in place to enable the lawful transfer of the client personal data to us.

14.14 Should you require any further details regarding our treatment of personal data, please contact our Data Protection Point of Contact (Simon Wood, Partner) at support@darnells.co.uk or telephone 01803 862446.

Processing of client personal data

14.15 Paragraphs 14.16 to 14.20 below provide certain details of the processing of Client (Customer) Personal Data as required by Article 28(3) of the GDPR.

14.16 The subject matter and duration of the processing of client personal data are set out in our Letter of Engagement.

14.17 The nature and purpose of the processing of the client personal data includes, where appropriate:

- providing a bookkeeping service, producing agreed reports and interim management accounts to you and submitting VAT returns on your behalf;
- preparing annual accounts and Tax Returns and submitting them to HM Revenue & Customs on your behalf;
• providing a fully managed payroll administration service, and producing agreed reports and
payslips to you;

14.18 The types of client personal data to be processed are:

(i) Personal data as required, for example in order to carry out payroll processing it includes
name, gender, date of birth etc.
(ii) Special personal data (if applicable): eg. trade union membership;

14.19 The categories of data subject to whom the client personal data relates include customers, suppliers
and employees of the client that we are processing the payroll for.

14.20 Your obligations and rights are set out in these standard terms and conditions as referred to in the
Letter of Engagement between us and the data protection legislation.

15 Client identification

15.1 In common with other professional services firms, we are required by the Proceeds of Crime Act 2002
and the Money Laundering Regulations 2017 to:

• maintain identification procedures for clients, beneficial owners of clients, and persons
purporting to act on behalf 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 may
staff enter into any correspondence or discussions with you regarding such matters.

15.2 If we are not able to obtain satisfactory evidence of your identity and where applicable that of the
beneficial owners, we will not be able to proceed with the engagement.

16 Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards

16.1 Unless agreed specifically in a separate Letter of Engagement, we are not responsible for your
compliance with the International Tax Compliance (United States of America) Regulations 2013,
produced as a result of FATCA. In particular, we are not responsible for the categorisation of any UK
entity into either a Financial Institution (FI) or an active or passive Non-Financial Foreign Entity (NFFE)
nor, if a Financial Institution, for its registration with the US Internal Revenue Service (IRS) and
subsequent submission of the required annual returns to HM Revenue & Customs.

16.2 However, if requested to do so we can provide advice on the completion of the forms supplied by
Financial Institutions under these Regulations, or under Common Reporting Standards, and used by
them to determine the status of an entity. We can also provide advice on setting up the appropriate
systems to identify and report on your clients or beneficiaries who are foreign citizens affected by
FATCA or Common Reporting Standards.

17 General limitation of liability

17.1 We will provide services as outlined in this letter with reasonable care and skill. However, to the fullest
extent permitted by law, we will not be responsible for any losses, penalties, surcharges, 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 the tax authorities.

17.2 You will not hold us, our (principal(s)/Director(s)) and staff, responsible, to the fullest extent permitted
by law, for any loss suffered by you arising from any misrepresentation (intentional or unintentional)
supplied to us orally or in writing in connection with this agreement. You have agreed that you will not
bring any claim in connection with services we provide to you against any of our partners or employees
personally.

17.3 Our work is not, unless there is a legal or regulatory requirement, to be made available to third parties
without our written permission and we will accept no responsibility to third parties for any aspect of our
professional services or work that is made available to them.