



TERMS AND CONDITIONS - BUSINESS

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

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 standard 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 clause 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 CLIENT IDENTIFICATION

- 2.1 In common with all accountancy and legal practices, the firm is required by law to:
 - Maintain identification procedures for clients and beneficial owners of clients;
 - Maintain records of identification evidence and the work undertaken for the client; and
 - Report, in accordance with the relevant legislation and regulations.
- 2.2 We may use electronic checks as part of our identification procedures. We confirm that these electronic checks are not credit checks.

3 QUALITY OF SERVICE

- 3.1 We aim to provide you with a fully satisfactory service and the engagement partner assigned 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 the senior partner or another partner of the firm. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. We will acknowledge your letter within five business days of its receipt and endeavour to deal with your complaint within eight

weeks. 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)

- 3.2 We are not licensed or authorised for the reserved legal activity of non-contentious probate. Consequently, any work we do for you on closely aligned activities, such as estate administration or inheritance tax advice, will not be covered by the ICAEW Probate Compensation Scheme, this service will not be covered by legal personal privilege and you will not have access to the Legal Ombudsman.
- 3.3 We are required to be honest and to take reasonable care to ensure that your returns to HMRC are accurate. To allow us to do this, you in turn are required to be honest and truthful with us, providing us with all the relevant information required in a timely manner. For more information about 'Your Charter' for your dealings with HMRC, visit: <https://www.gov.uk/government/publications/hmrc-charter>

4 CLIENT MONIES

- 4.1 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.
- 4.2 If the total sum of money held on your behalf exceeds £10,000 for a period of more than 30 days, or such sum is likely to be held for more than 30 days, then the money will be placed in a separate interest-bearing client bank account designated to you. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.
- 4.3 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 which they relate has remained untraced for five years or we as a firm cease to practise then we may pay those monies to a registered charity.

5 COMMISSIONS OR OTHER BENEFITS

- 5.1 In some circumstances, commissions or other benefits may become payable to us or one of our associates in respect of transactions we or such associates arrange for you. If this happens we will notify you in writing of the amount and terms of payment. The nature of the engagement and professional judgement would determine the frequency and detail required to ensure compliance with our Code of Ethics. By signing an engagement letter, you consent to such commission or other benefits being retained by us or, as the case may be, by our associates, without our, or their, being liable to account to you for any such amounts. Certain software providers, for example Sage pay commission based on your ongoing subscription with them if we initiated the original purchase. Your agreement for us to retain the trivial commission is accepted by virtue of your acceptance of our terms and conditions.
- 5.2 The following are examples of likely commissions that may be received and the likely amounts. These are examples only and may not cover all receipts in the future.

| Provided service | Name or type of firm paying commission | Basis of commission | Rate of commission | Frequency |
|-------------------|--|----------------------------------|--------------------|-----------|
| Sage subscription | Sage | Variable on monthly subscription | 20% | Quarterly |

5.3 If, in the future, abnormally large commissions (for example more than [double] the largest amount in 5.2) are received which were not envisaged when the engagement letter was signed, we will obtain specific consent to the retention of those commissions.

6 INVESTMENT ADVICE – EXEMPT REGULATED ACTIVITIES

6.1 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.

6.2 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) (an independent firm authorised by the FCA) and assisting you and the authorised third party during the course of any advice given by that party. This may include comment on, or explanation of, the advice received (but we will not make alternative recommendations). The PTP 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;

6.3 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.

6.4 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 our professional body's compensation scheme. Further information about the scheme and the circumstances in which grants may be made is available on ICAEW's website: www.icaew.com/cacs

7 FEES AND PAYMENT TERMS

- 7.1 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.
- 7.2 We may indicate a fixed/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. Otherwise, our fees will be based on 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.
- 7.3 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. 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.
- 7.4 In certain circumstances you may be entitled to assistance with your professional fees or tax affairs, through insurance policies you may hold. Unless such insurance policies you hold were arranged through us, you will need to inform us of any such insurance cover you have. You will remain liable for our fees regardless of whether all or part are to be paid by your insurers.
- 7.5 Invoices are payable in full before the report is signed and the accounts are made available for filing. If you do not accept that an invoiced fee is reasonable and fair, you must notify us within 21 days of receipt.
- 7.6 Our terms relating to payment of amounts invoiced and not covered by standing orders, where appropriate, are strictly 28 days net.
- 7.8 Should circumstances arise where a client company, trust or other entity is unable or unwilling to pay our fees, we reserve the right to demand payment from the individual (or parent entity) giving us instructions on behalf of the client.
- 7.9 To the extent that we are permitted by law or by professional guidelines, we hold 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 are paid in full.
- 7.10 We reserve the right to charge interest on late paid invoices at the rate of 8% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. 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. We intend to exercise these rights only if it is fair and reasonable to do so.

8 RETENTION OF AND ACCESS TO RECORDS

- 8.1 Retaining documents and records relevant to your tax and financial affairs is your legal responsibility. 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 work done.
- 8.2 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.

9 ELECTRONIC COMMUNICATION

- 9.1 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.
- 9.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

10 DATA PROTECTION

- 10.1 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 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.
- 10.2 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.
- 10.3 Our privacy notice, [which can be found on our website at www.wheelers.co.uk] explains how we process personal data in respect of the various services that we provide.
- 10.4 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.

10.5 **Processing of customer personal data**

Data protection legislation and regulation places obligations on you as a data controller where we act as a data processor to undertake the processing of personal data on your behalf, for instance where we operate a payroll service for you. We therefore confirm that we will at all times take appropriate measures to comply with relevant requirements when processing data on your behalf. In particular we confirm that we have adequate security measures in place and that we will comply with any obligations equivalent to those placed on you as a data controller. Terms relating to our responsibilities as a data processor are set out in paragraphs 10.6 to 10.9 below.

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

10.6.1 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;

10.6.2 Disclose and transfer the client personal data to [members of our firm's network,] 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;

10.6.3 Disclose the client personal data to courts, government agencies and other third parties as and to the extent required by law;

10.6.4 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.

10.6.5 Maintain written records of our processing activities performed on your behalf which shall include:

- i. the categories of processing activities performed;
- ii. details of any cross-border data transfers outside of the United Kingdom; and
- iii. a general description of security measures implemented in respect of the client personal data;

10.6.6 Return or delete all the client personal data upon the termination of the engagement with you pursuant to which we agreed to provide the services;

10.6.7 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;

10.6.8 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;

10.6.9 Where we transfer the client personal data to a country or territory outside the United Kingdom to do so in accordance with data protection legislation;

10.6.10 Notify you promptly if:

- 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
- 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 Office);

10.6.11 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; and

10.6.12 At your cost and upon receipt of your prior written notice, allow you, on an annual 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.

10.7 Without prejudice to the generality of clause 10.1, 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.

10.8 Should you require any further details regarding our treatment of personal data, please contact our data controller.

10.9 The following details are also required by Article 28(3) of the GDPR:

10.9.1 Subject matter and duration of the processing of client personal data

The subject matter and duration of the processing of the client personal data are set out in the engagement letter between us and relate to provision of payroll services (if applicable)

10.9.2 The nature and purpose of the processing of client personal data

The processing of client personal data is in order to calculate payroll and deductions and arrange payments to HMRC and the employees.

10.9.3 The types of client personal data to be processed

Personal Data:

- Full name
- Date of birth
- Home address
- National Insurance number
- Tax code
- Salary

11 PROFESSIONAL RULES AND PRACTICE GUIDELINES

11.1 We will observe and act in accordance with the byelaws, 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

- 11.2 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 FRC Ethical Standard and the International Standards on Auditing (UK) which can be accessed on the internet at:
<https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics>

12 CONFIDENTIALITY

- 12.1 Unless we have your authorisation to disclose information on your behalf, we confirm that if you provide us with confidential information we will, keep it confidential at all times, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable to us or our engagement.
- 12.2 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, should we act for other clients who are or become your competitors. These steps may include taking the same or similar approach as we take in respect of the confidentiality of our own information.
- 12.3 If we act for other clients whose interests are or may be adverse to yours, the conflict will be managed by implementing additional safeguards to protect confidentiality. Safeguards may include measures such as separate or physical separation of teams and separate arrangements for storage of, and access to, information. You therefore, agree that the implementation of such safeguards will provide adequate measures to avoid any real risk of confidentiality being impaired.
- 12.4 We may, on occasion, subcontract work however, should we propose to use the work of a subcontractor for your affairs we will inform you before they commence any work, except where your data will not be transferred out of our systems and the contractor is bound by confidentiality terms equivalent to an employee. In addition to this, the subcontractor will also be bound by our client confidentiality terms.
- 12.5 This applies in addition to our obligations on data protection in section [10].

13 CONFLICTS OF INTEREST AND INTERNAL DISPUTES WITHIN A CLIENT

- 13.1 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 we confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting the company.
- 13.2 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 ICAEW's Code of Ethics, which can be viewed at
<https://www.icaew.com/technical/trust-and-ethics/ethics/icaew-code-of-ethics>
- 13.3 If a dispute arises between the parties who own the business or who are involved in the ownership and management, it should be noted that our client is the business and we therefore would not provide information or services to one party without the permissions of all parties.

14 THE PROVISION OF SERVICES REGULATIONS 2009

- 14.1 We are registered to carry on audit work in the UK [and Ireland] by the ICAEW. Details of our audit registration can be viewed at www.auditregister.org.uk for the UK under reference number C001009588.
- 14.2 Our professional indemnity insurer is shown in reception and updated annually. 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.

15 TIMING OF OUR SERVICES

- 15.1 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.

16 USE OF OUR NAME IN STATEMENTS OR DOCUMENTS ISSUED BY YOU

- 16.1 You are not permitted to use our name in any statement or document that 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.
- 16.2 The copyright in any document prepared by us belongs to us in entirety unless the law specifically provides otherwise.

17 INTERPRETATION

- 17.1 If there is a conflict between an engagement letter schedule and these terms of business then the engagement letter takes precedence.
- 17.2 We will provide services as outlined in this letter with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses directly caused by our negligence, fraud or wilful default. 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.
- 17.3 You will not hold us, the owners of this firm and any staff employed by the firm, 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 the principals or employees personally.
- 17.4 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.

- 17.5 If any provision of this engagement letter or terms of business or its application is held to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of any other provision and its application shall not in any way be affected or impaired.
- 17.6 Advice we give you orally should not be relied upon unless we confirm it in writing. We endeavour to record all advice on important matters in writing. However, if you particularly wish to rely upon oral advice we give you during a telephone conversation or a meeting, you must ask for the advice to be confirmed in writing.
- 17.7 We will not accept responsibility if you act on advice previously given by us without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances. We will accept no liability for losses arising from changes in the law or the interpretation thereof that occur after the date on which the advice is given.
- 17.8 Unless specifically instructed and agreed in advance we will not assist with the implementation of our advice.

18 TERMINATION OF OUR AGREEMENT

- 18.1 Either party to these terms of engagement may terminate the agreement by giving notice in writing to the other party. We may, however, terminate our agreement immediately where you fail to cooperate with us, or we have reason to believe that you have provided us or HMRC with misleading information. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.
- 18.2 Should our contract be terminated; we will endeavour to agree with you the arrangements for the completion of work in progress at that time. We may, however, be required for legal or regulatory reasons to cease work immediately. In that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

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