

# Foxtons Group plc

## Policy on non-audit services provided by the external auditors

### **Basic principle**

The Group's policy on non-audit services provided by the external auditors is designed to ensure the external auditor's independence and objectivity is safeguarded.

Subject to the delegations set out below all non-audit services provided by the external auditor are subject to prior approval by the Audit Committee through the delegated authority given by it to its Chairman. Approval will only be given on the basis that the service will not compromise independence and is either a natural extension of the audit or there are overriding business or efficiency reasons making the external auditors most suited to provide the services.

### **Excluded services**

Certain services (excluded services) are not permitted. These are services which have the potential to impair the external auditor's independence typically if they were to result in work which would be subject to audit by the external auditor. These services include:

- **Tax planning** where there is a potential threat that their objectivity as the company's auditors could be affected if the advice involves a significant degree of judgement and has a material effect on the financial statements
- **Any service of a managerial nature** that would create systems, processes or management judgements on which the financial statements are based or rely.

The Audit Committee Chairman should be consulted before any assignment is agreed if there is any doubt whether it would fall into one of these categories.

### **Approval policy**

The audit committee will approve in advance annually the following:

- A) An annual budget for tax compliance services
- B) Delegated authority to the Chief Financial Officer for engagements, other than excluded services, that individually do not exceed £50,000 and cumulatively for the year will not exceed £100,000 excepting any engagements where the fee is contingent.

All other services rendered by the external auditor are subject to advance approval by the Audit Committee Chairman.

Approved by: **Audit Committee 19 December 2013**