

## Our Terms of Engagement

These Terms of Engagement set out the things we're required to disclose to you, our commitments to you, the way we'll work together, and what we need from you to ensure we can deliver our services to you at a high standard, as efficiently as possible.

If you have questions about any of these Terms, please contact us to discuss them prior to accepting our proposal. By accepting our proposal, you agree to be bound by these Terms.

We may update these Terms from time to time. We'll keep you informed of any changes we make.

### Our Core Values

- Our Core Values guide our behaviour and we expect our team and clients to respect and live into our Core Values:



- We want you to see the value in the services we provide you
- We won't recommend services unless we truly believe you will receive more value than the price you pay. We won't undertake any work without first giving you an estimate of the price
- We value our relationship with you and want you to feel confident that you can reach out to us with any questions you have - ask us about our complimentary Quick Queries service
- We won't tell you what to do; we'll listen to you, ask questions, identify potential options and their risks and benefits, and support the decisions you make

### Our Commitment to You

- We're committed to helping you to the best of our ability, working with you to make fully informed decisions which are best for you and your business
- We have a duty to act in your best interests, unless this duty is inconsistent with our duty to act in the public interest or an inconsistent legislative duty.
- We have a duty to conduct customer due diligence under the *Anti-Money Laundering and Countering Financing of Terrorism Act 20019* (AML/CFT Act) if the TE includes (but not limited to) handling your funds, undertaking conveyancing of land or a business, providing trust or company formation services. Accordingly, we may ask you for records or information about your identity and previous transactions. We also have a duty to monitor and report identified suspicious transactions.

### Our Expectations of You

- We expect you to provide us with any information we need in a timely manner, and to the best of your abilities
- If you need help to get your information in order, let us know so we can assist you - it will save you time and money in the future
- We may send you pre-work to complete prior to some of our meetings which we expect you to complete by the required date and to the best of your abilities; the more time you spend thinking about the answers to our questions, the more value you'll get from our meeting
- We're obligated by law to undertake certain identity checks and we expect you to provide this information upon request
- We'll recommend you have processes in place to ensure you get paid on time; please respect our firm's processes and ensure payments are made on time



### Authority to Obtain Information

- Our work involves collecting your personal information relevant or incidental to our work
- Your personal information will be held securely at our offices and will be retained for as long as may be relevant to the engagement and, except where otherwise noted in this letter, will only be used or disclosed for purposes related to the engagement
- You can contact us at any time to access your own personal information and correct it if required
- You confirm we have authority to communicate with any third party (including IRD) if the information sought is relevant to our engagement

### Disbursements

- You're liable to reimburse us for certain costs we're required to pay on your behalf

### Extent of Services

- We don't accept responsibility for the accuracy and completeness of accounting records and other information you supply to us, or for the reliability, accuracy, and completeness of the financial information compiled on the basis of those records and information
- We also don't accept any responsibility for the maintenance of adequate accounting records, an adequate internal control structure, and the selection and application of appropriate accounting policies within your organisation
- You're solely responsible to users of the financial information we compile
- The information you supply must be provided on a timely basis
- Our engagement doesn't include the investigation or discovery of internal control weaknesses, errors, illegal acts, or other irregularities, including without limitation, fraud, or non-compliance with laws or regulations. However, we will inform you of any such matters which come to our attention.
- If we're unable to complete your financial statements, or we consider the information to be misleading, we may refer to such matters within our compilation report or we may determine, at our sole discretion, not to issue a report.

### Information and Disclosure

- The conduct of this engagement is in accordance with the professional standards, rules and ethical requirements of CPA and Australian Professional & Ethical Standards (APES) standard 110 Code of Ethics
- However, as members of CPA, we are subject to, and bound by, the disciplinary procedures and rules of CPA, and our work and files are subject to the practice review rules of the Institute under which compliance with professional standards by members is monitored
- These procedures and rules require us to disclose to CPA, its reviewers, and/or its disciplinary bodies, our files and work papers including client information. By allowing us to undertake this engagement (whether or not you sign this letter), you acknowledge that, if requested, our files relating to this engagement will be made available to CPA, its reviewers, and/or its disciplinary bodies
- We assure you that the same ethical standards regarding confidentiality that we adhere to apply equally to the Institute's reviewers

### Independence

- Independence is not a requirement for a compilation engagement
- If we are aware that we are not independent, this fact will be stated in our report
- However, we will not conduct a comprehensive review to determine whether we are, or are not, independent



### Retention of Records

- We will store accounting records that we hold on your behalf for a period of 7 years after the applicable balance date
- At the end of that period, unless you write requesting they be forwarded to you, the records will be destroyed using a secure document destruction method

### Use & Distribution of the Financial Information

- We understand that the intended use and distribution of the financial statements is for the purposes of completing your tax return, so if this should change you must notify us immediately
- We will not accept any responsibility to any person, other than you, for the contents of the financial information

### Work Papers

- Material provided to us remains yours and will be returned to you when the engagement is completed.
- Work papers that we create will remain our property.
- At the end of that period, unless you ask us to send that information to you, the records will be destroyed using a secure document destruction method.
- We have an ethical duty of confidentiality, which means we must not share or disclose your details of this Terms of Engagement to anyone without your consent unless required by law. We hold professional indemnity insurance of at least the minimum amount prescribed in the CPA Australia By-laws or as required by law. Our professional indemnity insurance cover at the time of this Terms of Engagement is \$1m.

### Professional Rules and Obligations

- We'll compile your financial statements in accordance with the standards issued by CPA and NZ Generally Accepted Accounting Practices.
- We'll always act in accordance with any bylaws, regulations and ethical guidelines of our regulatory body and accept instructions to act on that basis
- We won't be held liable for any loss, damage, or cost arising from our compliance with statutory or regulatory obligations, copies of which are available in our offices
- We will provide you with professional accounting services in compliance with APES Standard 110 Code of Ethics, including:
  - Accounting services in accordance with APES Standard 110 Code of Ethics,
  - Bookkeeping services,
  - Taxation services in accordance with APES Standard 220 Taxation Services, the Income Tax Act 2007 and the Tax Administration Act 1994,
  - Management accounting services & management consulting,
  - Valuation services in accordance with APES Standard 225 Valuation Services
  - Transactional accounting,
  - Financial reporting activities in accordance with APES 205 Standard Conformity with Accounting Standards,
  - Compilation engagements in accordance with APES 315 Standard Compilation of Financial Information or other as specified,
  - Corporate secretarial services.
- We will provide you with the following output- financial statements, GST reports, Income Tax Returns, FBT reports, Valuation Report, or other as specified within the agreed timeframes.



- We will provide the scope of work output within the specified timeframe or within a reasonable period considering the context of the services.
- Unless otherwise specified in this TE or letter of engagement, audit and assurance or review are not included in this engagement.
- If the engagement involves the use of trust monies, we will manage those funds in accordance with APES 310 Dealing with Client Monies.
- Unless other payment terms are agreed, each invoice is payable within 7 days of receipt.



## Annual Accounts - Mutual Expectations

### Your Invoices and Documents

- If you use Xero, you need to upload all significant invoices and documents relating to bank transactions to your Xero accounting file

### The Annual Checklist

- We'll send you an electronic Annual Accounts checklist at the end of your financial year
- Please complete and submit within 30 days

### Proposal and Acceptance

- If on a monthly agreed service plan, your plan rolls over every year unless we agree to a change; such change is to be documented in a signed proposal
- If not on a monthly agreed service plan, we'll send a proposal for your Annual Accounts and Tax Returns a month before we are due to begin work

### Review of Information

- On receipt of your work and checklist, we'll review your data and information and get in touch if anything is missing
- Please supply missing information within 48 hours

### Work Commences

- When we have all the required information, we'll start work on your Annual Account

### Queries Resolved

- We'll get in touch if we have any queries
- Please respond within 48 hours

### The Annual Accounts Review Meeting

- We'll schedule a meeting after drafting your Annual Accounts
- We may send you pre-work to complete, along with a copy of the draft Accounts to review, so that you get as much value as possible from our meeting

### Target Completion Date

- We'll complete your draft Accounts within 30 days of commencing the work

### Acceptance of Terms of Engagement

We have read, understood & agree to the provisions of this Terms of Engagement.

Signed \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_