



Parbhu Gallagher Parag

Accounting | Tax | Advisory

Terms of Engagement – Annual Accounts/ Financial Statements & Taxation Returns

This document sets out the standard terms of our engagement so that both parties are aware of the responsibilities we have and of the areas where you retain responsibility.

Our Obligations

Parbhu Gallagher Parag Limited will compile your financial statements and taxation returns from information provided by you, in accordance with the applicable standards issued by the New Zealand Institute of Chartered Accountants. We will:

- Compile the financial information accurately with due professional care
- Process the information in an effective and efficient manner
- Respect the confidentiality of any information in the course of our work.

Disclaimer

Our standard disclaimer will be attached to all statements and documents we compile. A compilation is limited primarily to the collection, classification and summarisation of financial information supplied by you and does not involve the verification of that information. We will not perform an audit or review on the financial statements and therefore neither we nor any of our employees/contractors accept any responsibility for the accuracy of the material from which the financial statements have been prepared.

Our services will not result in the expression of an audit opinion or any other form of assurance on the financial statements nor the fulfilling of any statutory or other audit requirement. Our services cannot be relied upon to detect fraud or error in your organisation.

It is understood and agreed that;

- You provide us with accurate and complete information necessary to compile such statements and you will accept responsibility for any failure to supply us with all the relevant records and information. This includes information supplied to us for the preparation of Goods and Services Tax Returns.
- The responsibility for the truth, accuracy and correctness of the information provided to Parbhu Gallagher Parag Limited for the purposes of preparing the return, or for the preparation of financial statements on which the return is based remains with you.
- You are responsible for a cost incurred by Parbhu Gallagher Parag Limited if the return contains errors not due to negligence on the part of Parbhu Gallagher Parag Limited.

- The financial statements will be conspicuously marked as un-audited and you will attach our disclaimer (which is in a form approved by the New Zealand Institute of Chartered Accountants) when distributing the financial statements to third parties.
- The financial statements will be prepared in accordance with generally accepted accounting practices.
- You are responsible for all records and information supplied to us as well as the failure to supply all relevant records and information.
- You acknowledge that the work papers we produce when providing the services belong to us. We will;
 - a) inform you if any other person seeks access to the work papers; and
 - b) seek your consent before granting access to any such person unless we are prevented from doing so by law. In particular, in certain circumstances the Inland Revenue Department may request access to information and work papers and we may not be legally able to stop this process.

Communication

We may correspond by means of electronic media or provide information to you in electronic form. Because of the internet risks associated with the electronic transmission of information, we cannot guarantee the security and integrity of any electronic communications or information sent or received. While it is our policy to check our email correspondence with anti-virus software, we cannot guarantee that transmission will be free from infection.

Privacy

All correspondence and information transferred between Parbhu Gallagher Parag Limited and the client will remain confidential.

Unsolicited Electronic Messages Act 2007

In accordance with the Unsolicited Electronic Messages Act 2007, you consent to receiving emails, texts or other electronic transmissions such as newsletters, notification of seminars, items of interest or promotional material involving our firm, unless you notify us to the contrary.

Conflict of interest

We are not presently aware of any conflict of interest which would affect our ability to provide the services to you. We will advise you if we become aware of any potential conflict of interest and we will work with you to find a suitable solution.

Our fees

Our fees will be based on the amount of time taken to complete the assignment at our standard scale charge out rates. We will endeavour to keep our fees at a minimum through effective use of various levels of staff, in keeping with the level of complexity.

If requested, we can provide a fee estimate for any work undertaken. Please note that an estimate is NOT a quote. Where the costs are likely to significantly vary from the estimate, we will provide you with an update.

In the event the IRD selects your enterprise for review or audit, any work required from our firm will be a separate engagement and we will charge for our time based on the hours of work involved.

You agree to pay any cost of collection and all legal fees incurred by you in the event of legal action, or debt recovery action becoming necessary.

You agree to pay us our fees for these services. You accept we will invoice you on a monthly basis (unless other arrangements have been made at the time of accepting the assignment) and/or on completion of the assignment and our invoices will be due for payment on 20th of the month following invoice date.

IRD Payment/Refund options

On discussion with you, refunds received by Parbhu Gallagher Parag Limited on your behalf, from the Inland Revenue Department, may be used to pay any outstanding monies owed by you to Parbhu Gallagher Parag Limited.

Your responsibility

As a taxpayer you have primary responsibility for meeting your tax obligations. These obligations include keeping the required records, ensuring tax returns are true and correct, filing your tax returns on time and meeting your tax payment obligations. The Inland Revenue Department penalties regime is based on voluntary compliance and a new standard of reasonable care. Penalties range from 20% of the tax omitted to 150% dependent on the seriousness of the breach, together with use of money interest and late payment penalties.

As our advice will be based on the information you provide, we cannot accept responsibility for any inaccuracies or omissions in that information, or for any delays or other problems beyond our control.

As considerable uncertainty can arise when applying tax law to specific situations, we cannot guarantee our advice will be accepted by the Inland Revenue Department. Where we identify situations that give rise to considerable uncertainty, we will discuss the issues involved with you.

Your acceptance of our terms of engagement

To confirm your understanding and acceptance of our terms of engagement, please sign the acknowledgement on the last page of this letter. Please return the signed copy of the letter to us and retain the other copy for your information.

Your acknowledgement

We/I acknowledge and accept the terms of engagement set out in this letter and we/I authorise Parbhu Gallagher Parag Limited to act as our/my income tax agent with the Inland Revenue Department. We/I authorise you to seek any additional information (via telephone, fax or online services) that may be required for the purpose of preparing our financial statements and statutory requirements with the Inland Revenue Department and Registrar of Companies, from our/my Solicitor, Advisor, Employees, Bank or other financial institutions (including, but not limited to ACC, Insurance Companies and Financial Advisors) and we/I hereby also authorise our/my Solicitor, Advisor, Employees, Bank or other financial institution to supply such information.

We confirm that Parbhu Gallagher Parag Limited will provide assistance in meeting tax obligations, including advice on payments and/or reminder letters for taxes due. However, the responsibility for paying the correct tax on time rests with us/me the taxpayer and not Parbhu Gallagher Parag Limited as agents.

Client/Authorised Signatory

Date

Client/Authorised Signatory

Date

Client/Authorised Signatory

Date

Company/Client name