

## **Terms & Conditions of Engagement**

Updated 15<sup>h</sup> May 2024

### **General**

These Standard Terms of Engagement (“Terms”) apply to any current engagement and to any future engagement, whether or not we send you another copy of them.

We are entitled to change these Terms from time to time by publication of the changed terms on our website at [www.bellinghamwallace.co.nz](http://www.bellinghamwallace.co.nz). Those changes will bind you for any matters for which we accept instructions after publication of the change.

Our relationship with you is governed by New Zealand law and New Zealand courts have exclusive jurisdiction. We comply with all public practice membership obligations set by Chartered Accountants Australia and New Zealand (CA ANZ).

### **Services**

The services we are to provide for you (the “Services”) are outlined in our letter of engagement along with any further instructions that you provide to us in writing (or that we record in writing).

We will not audit, review or carry out any other checks on the accuracy or completeness of the information you provide. It is up to you to give us accurate and complete information to enable us to provide the services described in this letter and we accept no liability for the accuracy or completeness of any information supplied by you in any form. Accordingly, no assurance on any assertions contained in the financial information compiled will be provided.

Our engagement does not include the investigation or discovery of internal control weaknesses, errors, illegal acts, or other irregularities including, without limitation, fraud, or noncompliance with laws and regulations. However, we will inform you of any such matters which may come to our attention during our engagement.

The information you are to supply and any other information that we consider necessary to complete the engagement must be provided in a timely manner in order for the assignment to be completed on a timely basis.

If the services to be provided include tax compliance services, then the following will apply:

- You may use our office address as the mailing address for assessments and/or correspondence from Inland Revenue. If you do this, we will send you copies of any letters received along with recommendations for your reply if necessary.
- If you use our office address as the mailing address for assessments, we will check the assessments and let you know the amounts and due dates of tax instalments. You are then responsible for paying the correct tax on time.
- We will advise you about any amounts of tax to be paid and the due dates for payment. If your tax seems to have been overpaid at any time, we will make a refund claim on your behalf.

- In the case of tax compliance services our function is limited to providing you with information and advice to aid you in making decisions about your tax. However, the ultimate responsibility for making those decisions remains with you.
- You are responsible for what appears in your tax returns. This means you must ensure that the information you give us is accurate and complete.
- If you choose to use your own address as the mailing address for assessments and/or correspondence from Inland Revenue, we recommend that you provide us immediately with copies of any correspondence you receive from Inland Revenue. This is because there may be a deadline for reply of which you may be unaware.
- You are ultimately responsible for paying any Inland Revenue Department penalties arising from late payments, errors, wrong estimates, or any other reason. However, if any penalties are incurred directly due to our error or omission, then we are responsible for such penalties.
- The provision of tax consultancy requirements as required from time to time.

In order to provide you with an efficient, cost-effective service, it may be that part, or all of your instructions will be delegated to other professionals in our firm.

In order for us to provide Services as efficiently as possible, we ask that you:

- a) Give us clear instructions.
- b) Advise us of your deadlines so that we can prioritise work accordingly.
- c) Tell us if any of your contact details change.
- d) Contact us to discuss your work and any worries you may have.

Our office is open from 8.30am to 5.00pm on Monday to Friday.

## **Financial**

Your instructions for us to act for you also constitute consent to a credit check being obtained.

## **Fees**

The basis upon which we will charge our fees is set out in our engagement email or letter.

1. If the engagement email or letter specifies a fixed fee, we will charge this for the agreed scope of the Services. Work which falls outside that scope will be charged on an hourly rate basis. We will advise you as soon as reasonably practicable if it becomes necessary for us to provide services outside of the agreed scope and, if requested, give you an estimate of the likely amount of the further costs.
2. Where our fees are calculated on an hourly basis, the hourly rates of the people we expect to undertake the work are set out in our engagement letter. Differences in those rates reflect the different levels of experience and specialisation of our professional staff.
3. Hourly fees may be adjusted (upwards or downwards) to ensure the fee is fair and reasonable taking into account matters such as the complexity, urgency, value and importance of the Services.
4. Time spent is recorded in six-minute units.

## Disbursements and Third-Party Expenses

In providing the Services we may incur disbursements and payments to third parties on your behalf. You authorise us to incur these disbursements (which may include such items such as AML fees, search fees, registration fees, processing fees, and travel and courier charges) which are reasonably necessary to provide the Services.

You also authorise us to make payments to third parties on your behalf which are reasonably required to undertake the Services (which may include items such as experts' costs or other consultants' fees).

These will be included in our invoice to you, shown as "disbursements" when the expenses are incurred (or in advance when we know we will be incurring them on your behalf). Please note that we may ask for payment of major items before we pay them out.

**Tax Administration Fee:** In addition to disbursements, we charge a standard Tax Administration fee for the management of Inland Revenue Correspondence, updating records for tax assessments and notices, and maintaining tax agencies on your behalf with the Inland Revenue.

**GST:** Our services will usually attract Goods and Services Tax ("GST"). If this is the case, GST is payable by you on our fees and charges.

**Invoices:** We will send interim invoices to you, usually monthly, and on completion of the matter, or termination of our engagement. We may send you invoices more frequently when we incur a significant expense or undertake a significant amount of work over a shorter period of time.

**Queries:** We are happy to discuss fees with you at any time. If you have any questions or concerns about costs, please, in the first instance, contact the supervising Director. Please discuss with us any queries about an invoice before your payment is due.

**Payment:** Invoices are payable within 20 days of the date of the invoice unless alternative arrangements have been made with us.

You authorise us to deduct our fees and other expenses from funds held in our trust account on your behalf on provision of an invoice to you unless those funds are held for a particular purpose.

If you have difficulty in paying any of our accounts, please contact us promptly so that we may discuss payment arrangements.

If your account is overdue, we may:

- a) require interest to be paid on any amount which is more than 20 days overdue, calculated at the rate of 1.5% per month for the period that the invoice is outstanding.
- b) stop work on any matters in respect of which we are providing Services to you even if filing or other deadlines are due.
- c) require an additional payment of fees in advance or other security before recommencing work.
- d) recover from you in full any costs we incur (including on a solicitor/client basis) in seeking to recover the amounts from you, including our own fees and the fees of any collection agency. Please note that our policy is to initiate recovery proceedings in respect of all overdue accounts unless alternative arrangements are approved by us.

We are entitled to keep all or any files and documents until you have paid all outstanding amounts.

**Fees and disbursements in advance (Retainer):** We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. We may do this, on reasonable notice, at any time. This will be paid into our trust account and show as a credit on your first statement. If we require prepayment of such a retainer, we may choose not to begin work until we receive prepayment of that retainer, even if filing or other deadlines are due. We will not deduct fees from a retainer until we have properly invoiced you.

**Estimates:** You may request an estimate of our fee for undertaking the Services at any time. If possible, we will provide you with an estimate (which may be a range between a minimum and a maximum amount or for a particular task or step). An estimate is not a quote. Any significant assumptions included in the estimate will be stated and you must tell us if those assumptions are wrong or change. We will inform you if we are likely to exceed the estimate by any substantial amount. Unless specified, an estimate excludes GST, disbursements, and expenses.

**Third Parties:** Although you may expect to be reimbursed by a third party for our fees and expenses, and although our invoices may at your request or with your approval be directed to a third party, you remain responsible for payment to us in accordance with these Terms if the third party fails to pay us.

### **Anti-Money Laundering and Countering Financing of Terrorism Act 2009**

We are required to comply with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009. We are obliged to undertake due diligence on all clients we engage with. By requesting that we provide services you agree to provide us with your personal information reasonably required to conduct initial due diligence and ongoing monitoring for us and you authorise us to hold that information securely.

### **Financial Advisers Act**

Bellingham Wallace Limited is not an Authorised Financial Adviser as defined in section 51 of the Financial Advisers Act 2008. Any advice provided is merely a service provided as an incidental part of a non-financial service.

We recommend that any investment decisions are referred to an Authorised Financial Adviser.

### **Documents, Information and Disclosure**

All assignments will be conducted in accordance with the professional standards, rules and ethical requirements of the Chartered Accountants Australia and New Zealand. Information we obtain during this engagement is subject to confidentiality requirements, in addition to our obligations under the Privacy Act 2020.

We will not disclose that information to other parties without your express consent, except as required by law or professional obligations.

We may utilise the services of third parties, including tax pooling intermediaries, from time to time and as separately notified to you to manage your tax affairs. To perform the services, we provide these third parties with access to your data to the extent this is required to perform the services. This requires information being sent to these services providers in accordance with our Privacy Policy.

We will keep a record of all important documents which we receive or create on your behalf on the following basis:

1. We may keep a record electronically and destroy originals (except where the existence of an original is legally important).
2. At any time, we may dispose of documents which are duplicates, or which are trivial (such as emails which do not contain substantive information), or documents which belong to us.
3. We are not obliged to retain documents or copies where you have requested that we provide them to you or to another person and we have done so, although we are entitled to retain copies for our own records if we wish to do so.

We and our agents will provide to you on request copies or originals (at our option) of all documents to which you are entitled under the Privacy Act 2020 or any other law. We may charge you our reasonable costs for doing this.

Where we hold documents that belong to a third party you will need to provide us with that party's written authority to uplift or obtain a copy of that document.

Material that you provide to us remains yours and will be returned to you when the engagement is completed. Work papers that we create remain our property.

We own copyright in all documents or work we create in the course of performing the Services but grant you a non-exclusive licence to use and copy the documents as you see fit for your own personal or commercial use. However, you may not permit any third party to copy, adapt or use the documents without our written permission.

Unless you instruct us in writing otherwise, you authorise us and consent to us (without further reference to you) to destroy using a secure document destruction service (or delete in the case of electronic records) all files and documents in respect of the Services seven years after our engagement ends (other than any documents that we hold in safe custody for you or are otherwise obliged by law to retain for longer). We may retain documents for longer at our option.

We may, at our option, return documents (either in hard or electronic form) to you rather than retain them. If we choose to do this, we will do so at our expense.

## **Tax Traders**

Tax Traders operates as an IRD-approved tax intermediary, facilitating tax pooling. We utilize Tax Traders exclusively to provide you with payment options for your tax obligations. To streamline this service and expedite the process, we seek your consent to connect your Inland Revenue data to Tax Traders. Please be advised that written consent is required by Inland Revenue for the disclosure of your IRD data to Tax Traders. Further information regarding Tax Traders can be accessed on the About Us page at <https://home.taxtraders.co.nz/>

## **Non-disclosure of Tax Documents**

Under the Tax Administration Act 1994 you are entitled to exercise your right of non-disclosure of tax advice documents which have been created either by you or by Bellingham Wallace Limited.

Tax advice documents can include most forms of paper and electronic communications between yourself and Bellingham Wallace Limited, which have either been created by you instructing us to provide you with tax advice or created by us in order to provide you with tax advice. It is also intended that the advice remain confidential.

A claim that a document is a tax advice document must be made by you or by Bellingham Wallace Limited, where we are authorised to act on your behalf for the purposes of the non-disclosure provisions

in the Tax Administration Act 1994. We have included an authorisation in the Client Acceptance section of our letter of engagement, to ensure that we are authorised to act for you as required.

If you receive an Information Demand from the Inland Revenue Department in respect of our advice, you agree to notify us as soon as practicable in order that a timely decision can be made on the claiming of non-disclosure in respect of that advice.

### **Limitation of Liability**

At all times we will use reasonable skill and care in providing our services to you. However, in spite of this our liability to you whether in contract, tort, equity or otherwise, for any loss or damage or expenses (including legal costs) suffered or incurred directly by you as a direct result of any act or omission by us in providing our services, shall be limited to a maximum amount equal to three times the fee (excluding GST, disbursements and expenses) paid to us by you in respect of the services in question.

If the services were provided in respect of more than one financial year, the fee on which the liability amount is based shall be the fee paid relating to the financial year in respect of which the act or omission occurred. Any claim against us must be brought within twelve months of the date on which we complete the services.

### **Money We Hold for You**

We may sometimes hold money on your behalf. It will be held in trust in a client specific bank account, which is completely separate from the firm's funds. The Chartered Accountants Australia and New Zealand has strict rules about the way accountancy firms must handle their clients' money and we follow these rules.

Payments out of the trust account will be made either to you or to others with your authority. Written authorisation from you (and if we are acting for more than one of you, from all of you) will be required when payment is to be made to a third party. Before making a payment to another account we may require verification of the account details by provision of (for example) a copy of a deposit slip or bank statement showing the account number, a signed authority from you including the bank account details, or a signed letter from the relevant financial institution providing bank account details.

A full record of our trust account is kept at all times. A statement of trust account transactions detailing funds received, and payments made on your behalf will be provided to you periodically and at any time upon your request.

You may request that when we hold significant funds for you for more than a short period of time, we place them on call deposit with a bank registered under section 69 of the Reserve Bank of New Zealand Act 1989, and we will do so subject to you having completed, to the bank's satisfaction, any request for information relating to the deposit or certification required by the bank. Interest earned from call deposits, less withholding tax, will be credited to you.

### **Ownership of Work Papers**

Ownership of all documents supplied by you to assist in the engagement shall remain your property, but we have the right to make and retain copies of such documents that we have used in conducting the engagement.

All documents produced by us in the performance of the engagement, excluding the final report, shall remain the property of Bellingham Wallace Limited.

Where we provide taxation service for you we will store tax records that we hold on your behalf for a period of seven years after the applicable balance date. At the end of the period, unless you ask us to send that information to you, the records will be destroyed using a secure document destruction service.

## **Health & Safety**

You agree to provide adequate instruction to Bellingham Wallace staff members who are on-site at your premises with regards to their safety, in line with your Health and Safety policies

## **Electronic Communication**

To comply with the Unsolicited Electronic Messages Act 2007, we are required to obtain your permission to send you electronic messages including, but not limited to, information about our services and invitations to special client events that we regularly hold.

We will obtain from you contact details, including email address, postal address, and telephone numbers. Please visit our website to view our Privacy Policy for more information. We may provide documents and other communications to you by email (or other electronic means).

You agree that we may provide you from time to time with other information that may be relevant to you, such as newsletters and information bulletins. At any time, you may request that this not be sent to you by contacting your Bellingham Wallace contact or by emailing [support@bellinghamwallace.co.nz](mailto:support@bellinghamwallace.co.nz).

## **Notice Regarding Electronic Signatures**

Environmentally sustainable, convenient, legally recognised, secure, and smart - these are just some of the reasons why Bellingham Wallace Limited uses Adobe Document Cloud eSign services to electronically send out documents for secure electronic signing.

The Electronic Transaction Act 2002 (Act) governs the legal application of electronic signatures in New Zealand. By agreeing to Bellingham Wallace Limited's Terms you consent to transact business using electronic communications, to receive documents that require your signature electronically, and to utilise electronic signatures in lieu of using paper documents where appropriate. Please note that you will have the ability to download and print any open or signed documents sent to you via Adobe's Document Cloud eSign services.

Where a document is sent to you electronically for your electronic signature, you will have the ability to request a hardcopy paper version of the document for manual signing. Bellingham Wallace reserves the right to charge you a reasonable fee for the production and mailing/couriering of paper versions of documents.

## **Feedback and Complaints**

Client satisfaction is one of our primary objectives and feedback from clients is helpful to us. If you would like to comment on any aspect of the service provided by us, including how we can improve our service, please contact the Director responsible for your business.

In line with CA ANZ standards requirements, we have implemented a complaints policy to ensure that any concerns or complaints are addressed promptly and effectively. If you have any concerns or complaints about our services, please raise them as soon as possible with the person to whom they relate. They will respond to your concerns as soon as possible. If you are not satisfied with the way that that person has dealt with your complaint, please raise the matter with our Chief Executive, Mr. David Blakey.

By email to [davidb@bellinghamwallace.co.nz](mailto:davidb@bellinghamwallace.co.nz);

By letter to PO Box 113150, Newmarket, Auckland 1149; or

by telephone to +64 29 200 3626 or +64 9 309 7851.

We will inquire into your complaint and endeavor in good faith to resolve the matter with you in a way that is fair to all concerned.