

ENGAGEMENT LETTER

PRECISION ACCOUNTING CONSULTANTS LIMITED
IRD NUMBER: 122-866-367

DATE:

ATTENTION (Client Name):

IRD NUMBER (Individual):

Authority to act:

I
(Full name of the person giving authority of their position in the non-individual entity)

being duly authorized by
(name of non-individual entity)

give authority to
(name of tax agent or agent)

to act on behalf of
(name of non-individual entity)

..... (IRD number of non-individual entity)

for all tax types until further notice. Authority is given to obtain information from Inland Revenue about all tax types. This includes obtaining information through all Inland Revenue media and communication channels.

Entity type: Sole Trader, Scheduler payer, Rental, Trust, Partnership, Company, Non-profit

Non-GST register / GST register : Monthly , Two Monthly, Six Monthly

Contact Details:

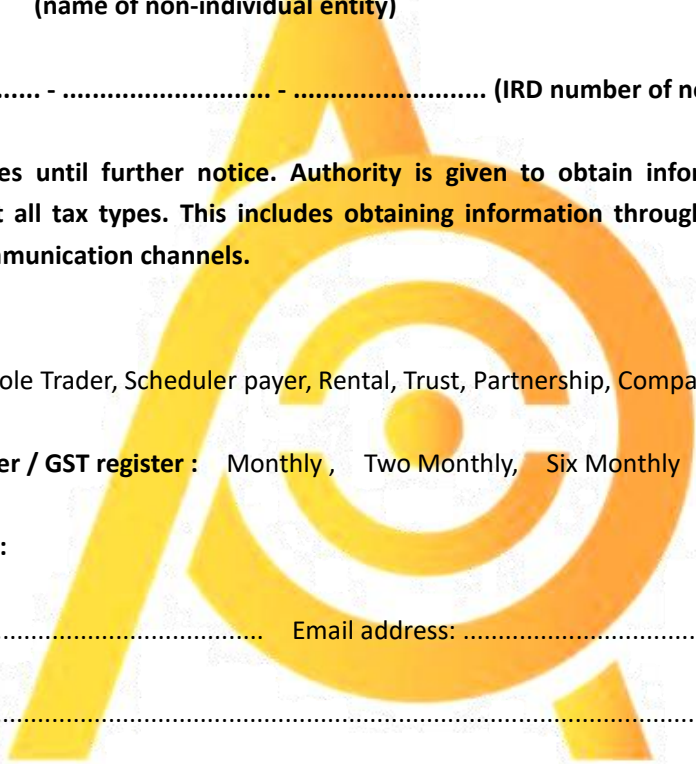
Phone: Email address:

Post address:

Current Accountant:

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Wechat: paccltd / PACC-Ryan Mob: 0210663562 / 0210881104
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Terms of Engagement for Compilation of Financial Statements and Privacy Act Authority

The purpose of this document is to outline our understanding of the terms of engagement and the nature and extent of the accounting and administration services we provide to our clients.

What We Will Do

1.1 We will use our professional skills to do the work you have requested based on information supplied by you. This work will be performed in accordance with Service Engagement Standard Number 2 Compilation of Financial Information issued by the New Zealand Institute of Chartered Accountants.

1.2 Annual accounts for companies will be prepared in accordance with the Financial Reporting Act 1993. Other than for exempt companies, these are general purpose reports and must be prepared in accordance with generally accepted accounting practice in New Zealand. If necessary, additional explanations will be added to ensure that a true and fair view is given.

1.3 Annual accounts for exempt companies may be prepared either in accordance with generally accepted accounting practice in New Zealand as described above or in accordance with the simpler format of the Financial Reporting Order 1994.

1.4 Other accounts will be prepared in accordance with any applicable legislation. For partnerships, Trusts, sole traders and other entities where the format of accounts is not dictated by legislation, we will prepare special purpose annual Financial Statements according to the principles contained in the Income Tax Act 2007. Periodic accounts for management are not governed by legislation and will be prepared on the basis requested by management.

1.5 The general basis of accounting used to compile the accounts will be described in the notes to the Financial Statements together with any significant departures from that basis. Significant departures will also be referred to in our compilation report (see 1.7 below).

1.6 We will inform you of any suspicions of omissions or irregularities that come to our notice.

1.7 We will provide a compilation report on all annual accounts that include a balance sheet. An example of a typical report, not specific to your circumstances, is attached.

1.8 We retain legal ownership of working papers prepared by us.

1.9 We set a limit on our liability to you for negligence or any other reason at ten times the annual accounting fee.

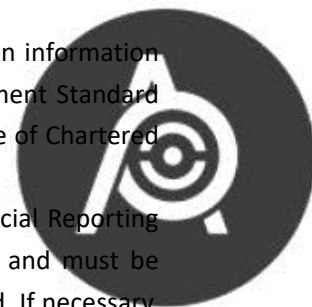
1.10 We will explain or redraft any element of these terms to ensure that you understand them and think they are reasonable.

What We Will NOT Do

2.1 We will not conduct an audit or any other independent verification work.

2.2 Consequently we will not express any kind of opinion on the accuracy of the material we compile or its suitability for any purpose.

2.3 We will not necessarily establish or maintain independence. It is not a professional requirement to be independent before carrying out compilation work of this nature. However,



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any other relationship will be described in our compilation report.

2.4 We will not take active steps to identify weaknesses in your internal accounting system, errors, illegal acts or other irregularities, for example, fraud or non-compliance with laws and regulations. However, should we become suspicious of any irregularities we will report it to you (see 1.6 above).

2.5 We will not accept liability in negligence or for any other reason to anyone but you and your enterprises listed at the head of the main letter. A disclaimer to this effect will be included in our compilation report.

What You Will Do

3.1 You will deliver accurate, complete information needed to compile the accounts and returns promptly at the times agreed. We will provide a checklist to assist in identifying the information we require.

3.2 You remain responsible for the reliability, accuracy and completeness of the financial information compiled, including tax returns. You have delegated certain tasks to us, as tabled in the main letter, and we are responsible for carrying out those tasks in a professional manner. You cannot abrogate the ultimate responsibility for ensuring that the financial information is compiled properly.

3.3 You will inform us if the information we compile is intended to be disclosed to any person or body and how they are expected to use it. This does not apply to:

3.3.1. The Directors, Shareholders, Partners, Trustees or equivalent office holders of your enterprises as listed at the head of the main letter, and

3.3.2. The Inland Revenue Department.

3.4 You confirm that we have authority to communicate with and obtain information from any third party if the information sought is relevant to our work.

3.5 You agree that the New Zealand Institute of Chartered Accountants may have access to the records and information we hold that support our working papers. This is an essential part of the Institute's quality assurance function. The likelihood that any particular engagement is selected is very small. All Institute employees and contractors are required to maintain the strictest confidentiality.

3.6 You will let us know if any of these terms are unclear or not what you think is reasonable and we will explain or redraft to make sure you are happy. See 1.10 above.

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Professional fees, payments and term of trade:

Professional fees for services provided will be based on time and skill required to complete the nominated tasks and will include addition items such as out of pocket expenses and statutory charges, unless otherwise agreed.

Fees unless agreed may vary from time to time due to unforeseeable problems and delays, the

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cooperation of third persons and deficiencies in documentation. If costs are likely to be significantly higher than originally agreed, you will be informed in writing of the changes and reasons.

The parties have agreed that fees will be deducted directly from any tax refund cheque with fees and charges deducted and any balance forwarded as agreed.

A full account of professional fees, costs and disbursements will be provided, unless otherwise agreed, terms are strictly 14 days from the date of service. Should the account be unpaid by the due date, we reserve the right to use a debt collection agency or other legal means to recover outstanding fees.

Documents and lodgments:

Prior to lodgment of documentation on your behalf, drafts will be forwarded to you for your approval. Documentation will be lodged with the relevant departments by the due dates, provided all information and documentation is received promptly after the financial year end or other statutory date. This will allow adequate time for preparation and lodgment. If you are late in providing information, best efforts will be made to meet deadlines. No responsibility will be accepted for any late lodgment penalties incurred. I shall also endeavor to advise you the amounts and due dates of tax installments. However, the responsibility for paying the correct tax and paying on time rest with you as the taxpayer and not me as your tax agent. Any penalty arising from lateness, errors, wrong estimates or for any other reason that is beyond my control is payable by you as the taxpayer.

Responsibilities:

You are solely responsible for the information contained in the Financial Statements and have determined that [the accounting policies specified by management/generally accepted accounting practice in New Zealand/ the principles of the Income Tax Act 2007/ the principles contained in the Financial Reporting Order 1994] are appropriate for your intended uses of the Financial Statements. You are the only intended users of these Financial Statements.

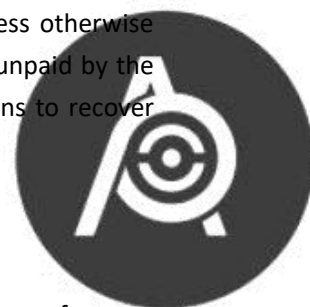
The Financial Statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the Financial Statements.

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Privacy Statement:

I am bound by the provisions of the Privacy Act to maintain all your records securely and in accordance with the provisions of that Act. Unless legally required we cannot disclose information to a third party without your permission.

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Limitation of Liability:

You acknowledge and agree that the maximum liability of PRECISION ACCOUNTING CONSULTANTS LIMITED (including its principals, employees and agents) to you for any loss arising in connection with this engagement shall not exceed three times the fee paid by you to us for this engagement.

Disclaimer:

A compilation engagement requires us to apply compilation procedures, in accordance with SES-2 Compilation of Financial Information, to compile the Financial Statements from information you provide to us. Those compilation procedures do not include the performance of an audit or review in respect of either the information you provide or the financial information compiled from it. Accordingly, neither I, nor any of my employees, accept any responsibility for the reliability, accuracy or completeness of the information from which the financial information has been compiled.

The financial information is prepared at your request and exclusively for your benefit. Neither I, nor any of my employees, accept any liability of any kind whatsoever, including liability by reason of negligence, to either yourself or any other person for losses incurred as a result of placing reliance on the compiled financial information.

Yours faithfully

PRECISION ACCOUNTING CONSULTANTS LIMITED

The services and terms set out are as agreed

Signed: Date:

You may want to apply a fast refund from IRD by apply direct credit to your bank account and/or you want to transfer your IRD credit to offset your fee payable as following

Account name:

Account number:

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Notes:
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