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## **TERMS & CONDITIONS**

*Last updated 9 March 2022*

These Terms & Conditions continue from year to year and cover all work requested (either verbally, in writing or via email) of Convex Accounting Ltd. We may update them from time-to-time by uploading a new version at [www.convexaccounting.co.nz/fineprint](http://www.convexaccounting.co.nz/fineprint)

You acknowledge you have the authority to agree to these Terms & Conditions for all entities listed and others that you ask us to act for. For the purpose of these Terms “you” and “your” means you personally and the entities listed on your Engagement Agreement letter with us, and any others you have asked us to act for. “Us”, “we” and “our” means Convex Accounting Ltd.

This agreement is subject to New Zealand legislation and courts only.

You agree to 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. In the event that any clause in either these Terms & Conditions or your Engagement Letter is inconsistent, then we will advise which clause is to prevail.

We authorise you to furnish to any third party, financial information of ours as you see fit that is requested in furtherance of our business activities.

### **Payments, Invoicing and Pricing**

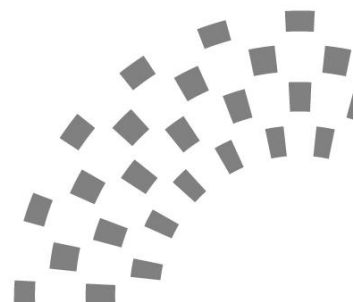
Where possible, we will give you a fixed price quote before we begin our work, for a set scope of work. If this is not possible, we'll endeavour to put together an estimate for you. For other work (which is often done urgently), this is charged with reference to the level of skill, urgency, complexity, time, knowledge and responsibility involved.

Where a fixed price quote or estimate is provided, we reserve the right to invoice separately for any work outside the scope of that quote or estimate. Our payment terms are within 14 days of invoice, unless other written arrangements are agreed to. Overdue accounts will incur a \$75 + GST administration fee charged, plus interest at 1.5% per month. You agree to us retaining your records and information where there are unpaid invoices.

We reserve the right to place any outstanding account in the hands of our solicitors or a debt collection agency for collection by legal action if necessary. In those circumstances you consent to us providing our solicitor or debt collection agency with such details relating to you as may be necessary to collect such outstanding account. In this situation all fees and/or Court costs incurred in recovery action will be added to the amount owing and will be recoverable from you. Although our invoice may not be addressed to you, you accept liability for our charges for this work and any subsequent collection costs.

As part of our fixed price quotes, we issue monthly invoices. These contribute towards the preparation of a certain set of Annual Accounts and Taxes. Because we're doing work on these throughout the year (for example reviewing GST returns, and tax payment reminders/calculations), if you decide to get someone else to prepare those Annual Accounts or Taxes, the monthly invoices already paid are non-refundable.

You're the judge of our work. If you believe that the fee charged for our work is excessive then please contact a Director of Convex Accounting Ltd. We will investigate without cost to you and suggest a solution. In the unfortunate situation that we are unable to resolve the situation, you If you are still not happy you can lay a complaint with the Chartered Accountants Australia and New Zealand (“CAANZ”), and agree to use their Fee Resolution Service.



## Period of Engagement

Our work commences on the day the Engagement Agreement is signed. We will not be held liable for any of your affairs prior to that date. The scope of our work is as per our Engagement Agreement, however we will happily assist with anything outside the scope of our Engagement Agreement when requested in writing.

## Technology & Strategic Partners

We're 100% paperless and store all records electronically. We use external servers and 3rd party providers. We endeavour to use providers who maintain best-practice security. All records are stored for the minimum legal period, then destroyed. Any physical records will be scanned, and the physical records destroyed. We receive rebates from some of our technology partners like Xero. This supports us in promoting their services.

## Liability

Our work is intended solely for your benefit and solely at your request. We do not accept responsibility to any other party for advice resulting from our work, or decisions based on that work, or accept any responsibility on any grounds, including liability in negligence. No one should rely on the financial statements without having an audit conducted, nor should they rely on any forecasts of future profits, cash flows or financial positions which we can in no way guarantee or otherwise warrant that results will be achieved.

Our work is based on our understanding of current taxation laws at the time of performing that work. Our advice is not binding on the Inland Revenue Department and we cannot guarantee they will adopt the same opinion as us. We will not update our work for any future legislative, judicial or Inland Revenue policy changes. Therefore, we accept no responsibility for different outcomes arising from such changes, or from the Inland Revenue Department disagreeing with our opinions on taxation interpretation.

Our aggregate liability, to you or third parties, is limited to five times our fees paid in aggregate in the previous 12 months. We will not be liable for any loss of profits, indirect or consequential or exemplary losses suffered or incurred by you. We will not be liable if you breach any of the terms in these Terms & Conditions, or in our Engagement Agreement. We will only be liable where you formally commence a claim against us within two years of you reasonably being aware of the potential for loss.

You will only look to Convex Accounting Ltd or to our insurer to satisfy our obligations or liabilities to you. None of our employees, contractors, Directors or shareholders ("Persons") will be personally liable to you and you will not commence action against any of these Persons. This clause is for the benefit of, and enforceable by, those Persons for the purposes of the Contracts (Privity) Act 1982.

## Compilation Services

All compilation services will be performed in accordance with CAANZ's Service Engagement Standard No. 2.

Where required by legislation or requested by you, annual accounts will be prepared in accordance with generally accepted accounting practice in New Zealand. Where the format of accounts is not dictated by legislation, we will prepare annual accounts in compliance with the minimum requirements of the Tax Administration (Financial Statements) Order 2014. If applicable annual accounts will also be prepared in accordance with the CAANZ Special Purpose Financial Reporting Framework for use by For-Profit Entities. We will also provide additional information that we believe will be useful to the users of the financial statements. Periodic accounts for management are not governed by legislation and will be prepared on the basis requested by management.

A compilation report will be attached to all financial statements that include a Statement of Financial Position. An example of a typical report, not specific to your circumstances, is:

### *Compilation Report to the Directors/Trustees of the Entity*

*Scope: On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Entity for the year ended 31 March 201X. These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.*

*Responsibilities: The Directors are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared. 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.*

*No Audit or Review Engagement Undertaken: Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.*

*Independence: We have no involvement with Entity other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.*

*Disclaimer: We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.*

### **We all have a job to do**

It goes without saying, but both We and You have a job to do.

We agree to:

- Follow the rules and guidelines, including the Code of Ethics and Professional Engagement Standards of CAANZ.
- Maintain the confidentiality of your information, subject to and with the exception of where we're required or requested to make certain disclosures legal requirements such as under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009; requests for information from other service providers that you have engaged; peer reviews as required by CAANZ; practice reviews conducted by CAANZ; or where we're required to pass information onto public authorities or governance under the non-compliance with laws and regulations (NOCLAR) standard.
- Take instruction from you or others who by reason of their role or normal practice can be regarded as acting with your authority, for example your spouse, directors, trustees, CFO or manager, unless advised otherwise.
- Advise you of any potential conflict of interest we identify and work with you to determine a solution. This may involve you or another party needing to seek independent advice. Acting for others in your industry is not normally a conflict of interest.
- In the sad event you move on we will handover electronic copies of your records. This may be delayed where there are outstanding fees. We maintain ownership of all workpapers, checklists and other records created by us while working with you.
- Uphold your rights under the Privacy Act 2020. We may collect personal information about you and those associated with you as part of our services. You have the right to access and correct that personal information. We may use the information to send you communications or offer services which we consider may benefit you.

You agree to:

- Reimburse us for expenses incurred on your behalf such as Companies Office charges or your Xero subscription.
- Acknowledge that advice or opinions we provide are not binding on the Inland Revenue Department or other regulatory bodies.
- Rely only on our finalised advice, not on verbal, draft or interim advice or reports.
- Maintain tax non-disclosure rights by not providing Inland Revenue or third parties copies of our advice without first obtaining professional assistance.
- Be responsible for the safety of our people and indemnify us for any costs we incur in relation to health and safety and accident compensation legislation resulting from events that occur on your premises.
- Read and understand the work we present you with, and if you don't understand it you agree to let us know
- Respond to any requests we make of you in a reasonable period of time (a maximum of 3 days) you accept that we won't continually chase you in relation to our requests, and acknowledge that the quality of our work may be reduced by delays in us receiving information from you.

- Indemnify us for all losses, including costs we incur and our time at our normal rates, arising from any breach by you of these Terms.
- Meet all Companies Act 1993 and Financial Reporting Act 2013 obligations, including Company Registries and Minutes/Resolutions, and accept that we undertake all work in a professional capacity and are not acting as a director, deemed or otherwise, under the Companies Act 1993.
- Store all financial records in New Zealand as required by the Tax Administration Act 1994.
- Authorise us to file tax returns for all tax types with the Inland Revenue Department on your behalf, and indemnify us for any loss suffered as a result of us filing that tax return
- Provide complete and accurate information in a timely fashion and to accept responsibility for all records and information supplied to us, and for any failure to supply us with all relevant records and information. You also accept that the quality of our work is determined by the accuracy and completeness of information you provide.
- Maintain all supporting documentation required by tax and other laws, including bank statements, receipts, tax invoices, cashbooks, payroll records, workpapers and investment documentation
- Meet all tax obligations including taking “reasonable care” in interpreting tax laws, in keeping required records, ensuring tax returns are true and correct, filing your tax returns on time and meeting your tax payment obligations. A breach of these obligations may result in Inland Revenue imposing interest and/or penalties.
- Accept responsibility, review and approve for reasonableness and correctness all financial information prepared by us, including tax returns, annual financial statements, tax returns, management reports, budgets and projections, and understand the risks of signing all documents.
- Listen to any advice we offer, and we acknowledge your right to reject that advice.
- Accept that we work to a materiality threshold, meaning we’re aiming to get everything sufficiently correct so not to put you at risk of IRD audit and help you make informed business decisions, rather than making sure everything is 100% correct 100% of the time.
- Ensure that all tax payments are made on time, and while we will endeavour to remind you of all payment dates and amounts, you are ultimately responsible for meeting all your tax payment obligations.

To clear up any doubt, we will not:

- Be liable for losses resulting from computing services provided by third parties, including cloud accounting (e.g. MYOB and Xero), online computing (e.g. Microsoft, Dropbox, Evernote, Inland Revenue, Companies Office, ACC, online banking) and from viruses and similar.
- Accept any responsibility for inaccurate or incomplete accounting or other records or for maintaining adequate internal control systems or appropriate accounting policies within your organisation
- Carry out specific procedures to detect internal control weaknesses, errors, illegal acts or fraud, nor audit, review or otherwise attempt to verify the accuracy or completeness of financial statements or information you provide to us