

## SOAR LIMITED – TERMS OF ENGAGEMENT

Client Name: \_\_\_\_\_

At Soar Limited we can provide the following professional services to our clients which may be tailored to your specific needs:

- **Income Tax Returns**  
The preparation and lodgement of the following income tax returns for you and any associated entities is to be the responsibility of this office.
- **Tax Assessments**  
Our address is used by the Inland Revenue Department for service of notices and we are responsible for checking tax assessments. We shall also endeavour to advise the amounts and due dates of tax instalments. However, the responsibility for paying the correct tax and paying on time rests with the taxpayer and not us as agent. Any penalties arising from lateness, errors, wrong estimates or for any other reason are payable by you as the taxpayer.
- **Goods and Services Tax**  
If we are requested to complete GST returns, we will prepare GST returns in accordance with legislation applicable at the time, from information supplied by you. It is understood that you will provide all the necessary information and records at least a week prior to the due date for filing of returns to enable returns to be prepared that are both true and correct. We will sign the GST return as your agent.
- **PAYE**  
If we are requested to complete PAYE returns we will be responsible for the preparation and filing of all PAYE returns based upon information you have provided to us.
- **Fringe Benefit Tax**  
If we are requested to complete FBT returns we will be responsible for the preparation and filing of all FBT returns based upon information you have provided to us.
- **Annual Company Imputation Return**  
We prepare and file the annual imputation return in conjunction with the company's income tax return.
- **Consultancy and Advisory**  
We can assist you with various consultancy and advisory services, except for auditing and company liquidations.
- **BankLink/Finance Institution Information**  
Your signature to this engagement letter is written authorisation allowing Soar Ltd to obtain, as required from your bank or finance institution information required to prepare financial reports and/or income tax returns.  
  
This request also allows us to obtain electronic bank data through our BankLink arrangement with you (if applicable).
- **Finance Applications**  
Soar Ltd will assist you with finance applications as required.
- **Department of Statistics Returns**  
We are to prepare Department of Statistics returns as required.



- **Financial Projections/Cash Flow Forecasts**

Soar Ltd will assist you with preparation of financial projections/cash flow forecasts as required.

- **Business Strategy**

Soar Ltd will assist you with reviewing systems and processes within the firm including software, better filing methods, growth & expansion, business plans, cash flow etc. through Soar Business Support Centre Ltd

- **Wealth Management**

- Soar Limited does not provide Wealth and Financial Management advice however through Soar Business Support Centre Limited we have relationship arrangements with Swain Woodham Group and Spicers, who are experts in business and personal risk management.

The terms of our services above shall continue each year unless either party agrees to alter the terms of our services in writing at any time.

**It is understood and agreed that:**

- You are solely responsible for the information contained in the financial statements in order for us to prepare special purpose financial reports and comply with the Income Tax Act 2007, Income Tax Administration Act 1994 and the Goods and Services Act 1985;
- You are responsible for the payment of all your taxes on the due dates;
- You authorise our organisation to act as your agent for ACC levy purposes for all associated entities. This authorisation allows our organisation to query and change information on your ACC levy account(s) through ACC staff, and through ACC Online Services. This authority will also allow our organisations' main representative discretion to delegate access to your ACC information to other members of our organisation. Other delegated members of our organisation will also be able to query and change information on your ACC levy account.
- Under the terms of the Privacy Act (1 July 1993) you irrevocably authorise any person or company to provide us with such information as we may require in response to our credit enquiries
- Under the terms of the Privacy Act (1 July 1993) you authorise us to allow your contact details to be supplied to any of our Strategic Partners listed in Appendix A which you may have previously authorised in writing to Soar.
- You will provide us with accurate and complete information necessary to compile financial statements;
- The responsibility of the accuracy and completeness of the assertions in the financial statements remains with you;
- The financial statements will not be audited unless requested in writing by you;
- You will attach our disclaimer when distributing the financial statements to bankers or other third parties;
- The financial statements will be prepared in accordance with acceptable accounting principles, which include Statements of Standard Accounting Practice;
- You accept responsibility for all records and information supplied to us; and also for any failure to supply us with all relevant records and information; and
- If you distribute the financial statements [or other report] to any person without attaching to them [that report] our statement disclaiming liability, then you will indemnify us against all claims, actions, damages, liabilities, costs and expenses (including but not limited to reasonable legal costs and expenses) incurred by us and arising out of or in connection with any action, claim or procedure brought by any third party in connection with the services provided by us to you.

- We further authorise you in the course of preparing our Financial Statements and Tax Returns to allow Soar Limited staff and other persons contracted to Soar Limited to access our information.

## **A. Our Fees**

All accounting work shall be invoiced based on the cost of that service to you including meetings, written correspondence, email advice, and telephone conversations in lieu of meetings, except when we may provide a proposed fee estimate before we start any specific projects.

Fees charged for consultancy work outside the scope of this engagement are based on our standard hourly rates and billed as the work progresses plus the reimbursement of our direct expenses.

Fees charges for liaising with the IRD to resolve any tax matters, disputes and objections are based on our standard hourly rates and billed as the work progresses plus the reimbursement of our direct expenses.

To reduce the costs of our services to you, we suggest you carry out as much of the work as possible. We have our client questionnaires on our Soar website to assist you.

Unless otherwise agreed, our payment terms are **STRICTLY WITHIN 7 DAYS** from invoice date or 5 days from the date of receiving the invoice, whichever is the latter.

## **B. Debtors Policy**

Our Debtors policy is as follows:

- I. Fees not paid within 14 days of the invoice date will receive a reminder phone call.
- II. Fees one month overdue will receive a reminder letter, followed by a phone call.
- III. Fees 6 weeks overdue will be placed on the stop work list until all outstanding fees are paid or a suitable arrangement can be entered.
- IV. We will advise you either by letter or on the end of month statement if interest is to be charged for late payment of fees.
- V. You acknowledge and agree that we may require as a condition of our engagement that any fees rendered to a company be personally guaranteed by appropriate directors and/or shareholders. You agree to obtain such guarantees if requested by us. Furthermore, you also agree to be liable for any costs incurred by us in relation to the collection of any debt, on precisely the same terms, if you do not pay within the specified time.
  - a) If fees remain unpaid, debt recovery will commence. All costs (including without limitation all debt collection costs as between solicitor and own client) incurred by us in recovering or attempting to recover payment of any debt owed by you to us will be payable by you upon demand.
  - b) The engagement of our services is also on the understanding that you will pay interest of 3% per month on any overdue amount plus a collection administration fee of up to \$95 per month plus GST may be added to your overdue account and you will reimburse us for any other costs incurred by us in recovering the debt. The interest charges will be applied automatically after the account is 90 days overdue from the original invoice date.

If you have fees unpaid after three months on three occasions in two years, we will cease to do further work on a permanent basis.

I/We authorise Soar Limited to obtain personal and/or business credit inquiries as may be necessary from either an accredited collection agency or from credit references provided by you for your provision to receive credit with us.

If you are concerned about the level of any fees charged to you, please contact our administrator as soon as possible.

Statements will be sent to you monthly.

Please note: if you operate through a Limited Liability Company then in signing this engagement letter you acknowledge you will be personally liable for any outstanding debts of the company to Soar Limited, should the company be unable to pay.

### **C. Electronic Communication**

We may communicate with you via email or by other electronic means including facsimile transmissions from time to time in the interest expediency. You acknowledge that you may only rely on electronic transmitted advice or documents when that advice is confirmed by a letter signed by a director or staff member of Soar Ltd. You also acknowledge that we cannot ensure delivery to you by email and that unauthorised access and false computer networks can occur which may result in the corruption, alteration or non-delivery of electronic transmitted materials.

We do not represent or warrant in any document or letter sent by email as free from a computer virus or other defects. They are provided and may only be used on the basis that you assume all responsibility for any loss, damage or consequence resulting directly or indirectly from their use.

In light of the acknowledgements and issues referred to above you waive any claim against us arising out of these electronic communications.

### **D. Ownership of Work Papers**

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. It is agreed that the above has no effect on our rights to claim a particular lien over books, records and other documents.

However, if your affairs at some time in the future are handled by another Accountant, we will make available, as required by the Code of Ethics, such information regarding your affairs that is essential to enable your new Accountant to perform the services we previously provided.

Our work may involve the collection of personal information relevant or incidental to the engagement. Any such information will be held 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. The individual concerned will be able to contact us to access information held concerning them and, if necessary, seek correction to that information. By signing this engagement letter, you confirm we have authority to communicate with and obtain information from any third party (including the Inland Revenue Department) if the information sought is relevant to our engagement.

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 that period, unless you ask us to send that information to you, the records will be destroyed using a secure document destruction service.

We look forward to full cooperation with you and your staff and we trust that they will make available to us in a timely manner the records, documentation and other information requested in connection with our compilation.

### **E. Limitation of Liability**

You the client agree that the maximum liability to Soar Limited (including any consultants, employees and/or agents) to you for any loss arising in connection with this engagement shall not exceed two and half times of the annual fee paid by you to Soar Limited for this engagement.

### **F. Investment advice**

Soar Limited and any of its directors and employees does not provide investment advice on clients purchasing or disposing of shares or property, or with planning to achieve their financial goals and

deciding on behalf of a client what financial product to acquire or dispose of. We recommend obtaining independent advice on such matters.

The arrangements outlined in these terms of engagement will continue from year to year unless it is mutually agreed to change them.

We understand the above clauses were explained to us and agree with all the above.

Client Name ..... Signature .....

Client Name ..... Signature .....

Date .....

SOAR LIMITED

Name..... Signature .....

Position ..... Date .....

**Disclaimer**

*These are Soar Limited standard Terms and Conditions; however, these can be changed by mutual arrangement depending on the assignment undertaken.*