



www.centralaccounting
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The purpose of this letter is to confirm and set out the terms of our engagement to perform annual accounting services for you and outlines the nature and extent of the services we will provide.

Primary Assignment

Using information supplied by you, we will use our professional skills to compile annual financial statements and an income tax return for the period ended 31 March 2026.

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 New Zealand Financial Reporting Standards (FRSs) and Statements of Standard Accounting Practice (SSAPs). If necessary, additional explanations will be added to ensure that a true and fair view is given.

Annual accounts for exempt companies may be prepared either in accordance with FRSs and SSAPs as described above, or in accordance with the simpler format of the Financial Reporting Order 1994. Any known departures will be disclosed within the financial statements and referred to in our compilation report that accompany the financial statements.

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.

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.

In Appendix 1 to this letter we provide a copy of our compilation report reflecting these points which will be issued on completion of the engagement and will be attached to your financial statements.

We will prepare income tax returns on behalf of the associated parties as agreed from the financial information you have provided and from additional material and facts you provide in writing.

We will not audit, review or otherwise attempt to verify or provide assurance on the accuracy or completeness of such financial information and material provided. The outputs that are compiled for you cannot be relied upon to detect error or fraud.

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.

Your Responsibilities

It is understood and agreed that you:

1. provide us with accurate and complete information necessary to compile the financial statements and income tax returns promptly,
2. accept responsibility for the accuracy and completeness of all records and information supplied to us and you accept responsibility for any failure to supply us with all relevant records and information,
3. remain responsible for the reliability, accuracy and completeness of the financial information compiled, including income tax returns,
4. note that each page of the financial statements must be read in conjunction with the notes to the financial statements and the accompanying statement of disclaimer,



5. acknowledge that the financial statements and income tax returns are compiled at your request, for your purposes only, and that Central Accountants Ltd (T/A Central Accounting) will not be liable for any losses, claims or demands by any third party,
6. acknowledge that the financial statements will be prepared in accordance with the New Zealand Financial Reporting Act 1993, the Financial Reporting Order 1994 and Financial Reporting Standards (FRSs) and Statements of Standard Accounting Practice (SSAPs) where applicable.
7. acknowledge that your acceptance of this compilation engagement letter provides us with the authority to:
 - obtain any further information from the Inland Revenue Department (IRD), or any other third party necessary through all channels, including electronic to complete the financial statements and tax return for you;
 - to place you on our agency listing with the IRD for all tax types (except Child Support);
 - sign and file GST, PAYE and Income Tax Returns as Agent on your behalf,
 - NZ Companies Office - access, update & maintain your information, File & pay any fees on your behalf & then have these reimbursed by you.
8. will pay all invoices when due or as otherwise agreed with us.

Limitations of our Assignment's Scope

Due to the limited scope of the work performed in a compilation, this engagement cannot be relied upon to prevent or detect fraud, irregularities or error. Therefore, we wish to emphasise that control over and responsibility for the prevention and detection of fraud, irregularities and error must remain with management.

Information and Disclosure

The conduct of this engagement is in accordance with the professional standards, rules and ethical requirements of the Accountant and Tax Agents Institute of New Zealand. Information we obtain in the course of this engagement is subject to confidentiality requirements, in addition to our obligations under the Privacy Act 1993. We will not disclose that information to other parties, without your express consent, except as required by law or professional obligations.

However, as members of the Accountant and Tax Agents Institute of New Zealand (ATAINZ), we are subject to and bound by the disciplinary procedures and rules of the Institute, and our work and files are subject to the practice review rules of the Institute under which compliance with professional standards by members is monitored. These procedures and rules require us to disclose to the Institute, our files and workpapers including client information. By allowing us to undertake this engagement (whether or not you sign this letter), you acknowledge that, if requested, our files relating to this engagement will be made available to the Institute. We may collect personal information from you, which could include information such as full name, contact information, proof of address, passport &/or driver's license details and billing or purchase information. We collect your personal information in order to assist with your financial accounts, tax returns and setting up payment arrangements for your taxes if you request us to do so.

We may also need to share this information with:

- the Inland Revenue Department (IRD)
- your bank, if you request us to do so on your behalf
- for Anti-Money Laundering (AML) client due diligence checking and reporting purposes.

Providing some information is optional. If you choose not to supply us with your passport &/or driver's license details if requested, we will be unable to assist you with incorporating companies.

Ownership of Workpapers

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

Our Fees

Our fees for the engagement are due and payable either:



- **monthly fee arrangements**, these reflect the on-going nature of accounting and tax service provision. Should a client cease partway through a year,
 - refund will be paid to the client that exceed the invoices due to the cease date,
 - if payments are still required to cover the work completed no documents will be forwarded until the fees are fully paid.
- **Annual Accounts** going forward either
 - Payment 10 days after Invoice date
- **One-off job**
 - 50% paid prior to starting of any work,
 - balance to be paid 10 days after Invoice date
- **Urgent Work** - Should you require an urgent job completed that requires us to immediately prioritise your work ahead of our other clients' current jobs, and or cause our staff/contractors to work overtime to complete your job, the fee will be 150% of our normal charge rate.

Overdue Accounts & Debt Collection

- Accounts overdue by 2 months with no payment plan in place – Central Accounting may cease providing any services until the debt is paid.
- Fees associated in collecting an overdue debt will be incurred by the client (Debt collectors & court fees)
- 2% monthly administration charge overdue balance from 20th month after the invoice was issued
- Unpaid debts exceeding 9 months will be loaded onto the client's credit record (completed by debt collection services)

Retention of Records

We will store & hold accounting records (electronically) on your behalf for a period of seven years after the applicable balance date. At the end of that period any physical records will be destroyed using a secure document destruction service, And any electronic records may be deleted without notice.

These Arrangements

The arrangements outlined in this letter will continue in effect from year to year unless amended or superseded by mutual agreement. We may also ask you to accept these arrangements on a year-by-year basis if we deem it necessary.

If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please **sign** this letter & **initial all other pages**, then please return the **full document to us**.

We appreciate the opportunity of providing these services and we commit to providing you with quality service in an efficient and timely manner.

Kind regards,

Simon Clouston
 Director/Accountant
Central Accountants Limited

Accepted by:
 Print Name: _____ Signature: _____ Date: ___/___/___

Print Name: _____ Signature: _____ Date: ___/___/___



IRD Information

Individual Name: _____

IRD Number: _____

Individual Name: _____

IRD Number: _____

Company Name: _____

IRD Number: _____

Trust Name: _____

IRD Number: _____

Contact Details (Individuals):

Name (Full)

Email: _____

Phone: _____

Address: _____

DOB: _____

Country & place of Birth: _____

Name (Full)

Email: _____

Phone: _____

Address: _____

DOB: _____

Country & place of Birth: _____

For each individual above, Please provide:

| | | | |
|-------------------------|------------|--|---------------------------------|
| Proof of ID | Either (1) | Passport / Firearms licence (preferred) or | <i>(office use)</i> Yes / No |
| | (2) | Drivers licence & Birth certificate or recent personal banks stmt | Yes / No Yes / No |
| Proof of Address | (1) | Bank stmt or letter - with name & address (Preferred) or | Yes/No |
| | (2) | copy of bill showing your name & address | |

Prior Accountant Information

Did you have a prior accountant? _____

Name of Firm: _____

E-mail Address: _____



Appendix 1

Compilation Report and Disclaimer
Annual financial statements - compilation

For the year ended 31 March 2026

1. Scope

On the basis of information provided and in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, we have compiled your financial statements for the period ended 31 March 2026.

These statements have been prepared in accordance with the accounting policies described in Note 1 to these financial statements.

2. Responsibilities

The Directors (you) are solely responsible for the information contained in these financial statements and have determined that the accounting policies used are appropriate to your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit, and we do not accept responsibility to any other person for the contents of the financial statements.

3. No audit or review engagement undertaken

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

4. Independence

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

5. 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.