CLIENT ENGAGEMENT LETTER

Terms of Business

Smart Tax. Gentle Approach.

CONFIDENTIAL – CLIENT COPY

Date	
Client / entity legal name	
Trading name	
IRD number	
NZ company number	
Address	
Email / phone	
Service period	

Dear …….,

Thank you for appointing Metta Tax & Accounting Services Limited. This letter and its schedules are our written terms of engagement. They set out what we will do, what we need from you, our fees, your authority for us to act with government agencies, and the legal and professional requirements that apply to us.

Please read it carefully. Your signature confirms that you accept it.

1. Objective and scope of services

You have asked us to provide the services ticked below for the period stated above.

☐ Annual financial statements and year-end accounts	☐ Rideshare, delivery and other self-employed tax services
☐ Individual income tax returns (IR3)	☐ Provisional tax calculations and tax planning
☐ Company income tax returns (IR4)	☐ IRD correspondence and tax account administration
☐ Trust income tax returns (IR6)	☐ ACC correspondence and administration
☐ Partnership or other entity tax returns	☐ Companies Office annual returns and company administration
☐ GST returns and reconciliations	☐ Company formation and IRD registration
☐ PAYE, employer returns and payroll support	☐ Management reports and business advisory
☐ Bookkeeping and bank reconciliations	☐ Other agreed services:
☐ Rental property income and expense reporting	

Services not ticked are excluded unless we agree otherwise in writing. Unless expressly agreed, this engagement is not an audit, review, forensic investigation, valuation, legal advice, financial product advice or an assurance engagement, and we give no assurance over your financial information. We do not act as a nominee director, nominee shareholder or trustee, or hold or manage client funds, unless expressly agreed in writing.

2. Our responsibilities and professional standards

We will perform the agreed services with reasonable care, skill and diligence, in accordance with applicable New Zealand law and the professional and ethical obligations relevant to the services we provide. Where applicable, we will comply with the relevant professional standards and codes of ethics governing our work.

We will maintain the confidentiality of your information, subject to any legal or professional obligations requiring disclosure, and will bring to your attention any material issues identified during the performance of the agreed services that are relevant to our engagement.

3. Your responsibilities

You agree to:

- provide complete, accurate and timely information, including bank statements, invoices, receipts, contracts, loan statements, payroll records and property documents, by the dates we tell you;
- disclose all income, assets, liabilities, related-party dealings and changes in circumstances, including overseas income or assets and property sales;
- review draft accounts and returns and tell us promptly about errors or omissions;
- keep original records for the period the law requires and meet your own filing and payment obligations, including provisional tax and GST payments, unless we have agreed in writing to manage them;
- tell us promptly about changes to contact details, ownership, directors, trustees, beneficiaries, business activities or tax circumstances; and
- make sure anyone instructing or signing for an entity has proper authority.

We may rely on information you and your representatives give us unless it is obviously incomplete, inconsistent or needs clarification. You remain responsible for the completeness of your records and for your business decisions. This does not limit our own legal or professional duties.

4. Tax returns, filing and extension of time

We prepare returns using the information you provide and the tax law that applies to the period. Before we file a return or other statutory document, we will ask you to review and approve it, and you must confirm that it is complete and correct to the best of your knowledge. We will not knowingly submit false or misleading information. If you ask for a position we believe is inconsistent with the law or our professional obligations, we may decline to act or withdraw.

> **Extension of time.** While you are linked to our tax agency list in myIR, Inland Revenue may allow an extension of time to file your income tax returns, generally to 31 March in the following year. Without it, the due date is normally 7 July. The extension depends on you giving us complete records in time. If a return is filed late, Inland Revenue may charge late filing penalties and withdraw your extension of time for later years.

Filing a return does not guarantee that Inland Revenue will accept every position or that no review, adjustment, interest or penalty will arise.

5. Authority to Act – IRD, ACC, Companies Office and other agencies

> This section is a **single authority** covering every agency listed below. It replaces separate authority wording for each agency. An agency may still require its own form, electronic authority, RealMe or other verification, and if so we will ask you to complete it.

5.1 Who is authorised and for what

You authorise Metta Tax & Accounting Services Limited and its authorised staff to act for you, and to obtain information about you through all channels, with the agencies ticked below, only for the scope shown.

Agency	Authorised?	Scope and reference numbers
Inland Revenue (IRD)	☐ Yes ☐ No	☐ Income tax ☐ GST ☐ PAYE / employer ☐ FBT ☐ All agreed tax types Other:
ACC	☐ Yes ☐ No	☐ Levy queries ☐ Invoices ☐ Earnings ☐ Claim correspondence Other: ACC client / account no.:
Companies Office	☐ Yes ☐ No	☐ Annual returns ☐ Incorporation and name reservation ☐ Changes to company details ☐ Company records Company no.:
Other agency	☐ Yes ☐ No	

5.2 What we may do for each agency, within the scope above

- **Inland Revenue:** obtain statements, assessments, notices and correspondence; discuss your balances, filing status and payment arrangements; link you to our tax agency list; prepare and file agreed income tax, GST, employer and other returns; request corrections where agreed and lawful; and, only if separately authorised, help with tax transfers, refunds or payment arrangements.

  ☐ **Signing for you:** you authorise us to sign and file agreed returns for you after you have approved them

  ☐ you do **not** authorise us to sign for you

- **ACC:** request and receive information, discuss the authorised account or claim, and provide information you have approved.
- **Companies Office:** prepare and file agreed annual returns and approved changes, and keep your company records. We will get your instructions and any required approvals before filing a material change.

5.3 What this authority does not allow

It does not allow us to change bank details, direct payments to third parties, enter a binding settlement, accept or waive rights, make medical decisions, act as your legal representative, or make decisions reserved to directors, shareholders, trustees or partners. It does not extend to any agency not listed above. We will ask for separate written consent for those matters.

5.4 Each entity needs its own authority

An individual's authority does not cover that person's company, trust, partnership or other entity, and each entity must give its own authority. For a company, trust, partnership or other non-individual, the authority must be signed by the people who control it (for example its directors, trustees or partners). List every person or entity giving this authority in the table at the end of this section, and attach a schedule if more rows are needed.

5.5 Duration and withdrawal

This authority continues until you withdraw it or the engagement ends. You may withdraw it at any time by writing to us or through the relevant agency's own process. We may remove our link to you, and if we do, we will need a new authority before we can link you again. We keep a signed copy on file.

5.6 Your confirmations and signatures

You give this authority voluntarily. You confirm that the details you provide are accurate and that each signatory below has the right to give the authority for the entity named. You consent to us collecting, using and sharing your information with these agencies for the purposes in this section, in line with section 7.

Entity / individual giving authority	IRD no.	Signatory name and capacity	Signature	Date
				___/___/_____
				___/___/_____
				___/___/_____

6. Fees, billing and payment

Basis of fees: ☐ Fixed fee ☐ Time-based (rates: [rates] excl. GST) ☐ Monthly or annual package ☐ Other:

Service	Fee excl. GST	Billing
Annual accounts and tax returns	$	[On completion / monthly]
GST returns	$	[Per return / monthly]
Bookkeeping / payroll	$	[Monthly]
Companies Office services	$	[On completion]
Other agreed services	$	
Estimated total	$	

Fixed fees cover only the agreed services. Additional or out-of-scope work will be charged at our hourly rates. We will advise you of significant extra fees and seek your agreement where reasonably practicable. We may invoice progressively.

Invoices are payable within 7 days unless otherwise agreed. Overdue accounts may incur interest and reasonable debt recovery costs where permitted by law. We may suspend non-urgent work after reasonable notice for unpaid fees, subject to applicable law and our professional obligations. We are not responsible for delays or penalties caused by your failure to provide required information, approvals or payment, and will not withhold client records where prohibited by law.

7. Privacy, confidentiality and data location

We handle personal and confidential information in accordance with the Privacy Act 2020. We collect, use, store and disclose information as reasonably necessary to provide the services, to verify identity, to communicate with agencies you have authorised, to meet legal and professional obligations, and otherwise with your consent or as the law permits or requires. You may ask to see or correct the personal information we hold about you. If you have a privacy concern we cannot resolve, you may contact the Office of the Privacy Commissioner.

We use the following service providers to hold or process your information. Please tell us if you object to any of them.

Provider	Purpose	Where data is held
Xero	Accounting software	
[Cloud storage / e-signature platform]	Document storage and signing	
Any outsourced or overseas staff		

Inland Revenue may exchange information about you with some other government agencies, with overseas tax authorities under information-sharing agreements, and with Statistics New Zealand for statistical purposes. You can ask Inland Revenue for the personal information it holds about you and have errors corrected. See www.ird.govt.nz for its privacy policy.

8. AML/CFT and customer due diligence

8.1 Why we ask

Some accounting services are regulated under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (the AML/CFT Act), and we are supervised by the Department of Internal Affairs. Captured services include forming companies or trusts, acting as or arranging a nominee director, nominee shareholder or trustee, providing a registered office or business address (other than as a minor extra to other services), managing client funds, accounts or assets, and carrying out or instructing others on transactions to create, operate or manage companies and trusts. Preparing tax returns alone is not generally captured. Where applicable we will conduct customer due diligence, verify identity and beneficial ownership, assess risks, and comply with our AML/CFT reporting and record-keeping obligations.

8.2 What we will do before we start

- identify you and verify your identity using reliable and independent sources;
- for a company, trust, partnership or other entity, obtain information on its legal form and proof of existence, its ownership and control structure, the powers that bind and regulate it, any nominee arrangements, and for a trust, the settlor and any protector;
- identify and verify the beneficial owners (anyone who ultimately owns or controls the entity, directly or indirectly) and the people who act for you, and confirm their authority;
- understand the nature and purpose of our relationship with you; and
- decide, based on risk, whether simplified, standard or enhanced due diligence is needed. Enhanced due diligence includes verifying your source of funds or source of wealth.

8.3 Ongoing checks

We monitor our relationship and the services we provide to make sure they match what we know about you and your risk profile, and we will ask for updated information when circumstances change, for example new owners, new structures, overseas links or unusual transactions. Higher risk indicators include complex or opaque structures, use of nominees, overseas connections, clients we have not met in person, and unexplained source of funds.

8.4 Your commitments

You agree to give us accurate documents and information when we ask, tell us promptly about changes in ownership, control, directors, trustees or beneficiaries, tell us if someone else is instructing us or providing the funds for a transaction, and not to use our services for any unlawful purpose.

8.5 If checks cannot be completed

The law requires us not to establish a business relationship, and to end an existing one, if due diligence cannot be completed. We may delay, decline, restrict or discontinue services in those circumstances.

8.6 Reporting

If we have reasonable grounds to suspect that a transaction, service or enquiry may be relevant to the investigation or prosecution of a crime, we must report it to the New Zealand Police Financial Intelligence Unit, and the law may prohibit us from telling you. We must also report prescribed transactions: domestic cash transactions of $10,000 or more, and international wire transfers of $1,000 or more sent or received through a trust account for a client. We do not accept cash or hold client funds in a trust account.

8.7 Records

We keep identity verification records, transaction records and related business records for at least five years after the transaction or the end of our relationship, and we may share them with our supervisor or the Police as the law requires.

9. Conflicts of interest and independence

We will identify and manage actual or potential conflicts of interest in line with the law and our professional standards. Please tell us about related-party dealings or competing interests. If a conflict cannot be managed, we may need to limit our scope or withdraw. This engagement does not make us your auditor.

10. Electronic communication and payment security

You consent to us using email, cloud accounting systems, secure document platforms and electronic signatures. Electronic communication carries risks, including misdirection, interception and unauthorised access. We take reasonable steps to manage them but cannot guarantee that every message is secure. We will not act on an unverified email instruction to change bank details or redirect funds. Tell us immediately if you suspect fraud or a compromised account.

11. Records, working papers and ownership of documents

You remain responsible for keeping your original records for the legally required period. We may keep copies of your information and our working papers for legal, professional, insurance and regulatory purposes, subject to privacy law, and our working papers remain our property unless the law or a written agreement says otherwise. You may ask for copies of your records and final deliverables, subject to lawful restrictions and any agreed charges.

12. Limits of our work and liability

Our work is limited to the services agreed in this engagement letter. Unless expressly agreed, we do not conduct audits, independently verify every transaction or investigate fraud. We exercise reasonable care and skill but cannot guarantee that all errors or irregularities will be detected. We may rely on information you provide, and you are responsible for its accuracy and completeness. Our advice is prepared for your use and the agreed purpose. Our liability is subject to applicable New Zealand law, and nothing in this letter limits liability that cannot lawfully be limited.

13. Complaints and dispute resolution

If you are unhappy with our service, please contact at info@mettax.co.nz or phone +64 22 542 8101 and tell us your concern. We will acknowledge it within 5 working days and aim to resolve it fairly and promptly. If we cannot resolve it, you may seek independent dispute resolution or obtain independent legal advice. Nothing in this process limits your rights under applicable New Zealand law.

14. Duration, review and termination

This engagement starts on the date of your signature and continues until either of us ends it by written notice. We will review these terms annually and whenever there is a material change, such as new services, new entities, new owners or a change in fees, and we may ask you to sign a new letter. We may suspend or withdraw where the law or our professional obligations permit, including where information is not provided, fees are overdue, unlawful conduct is requested, required AML/CFT checks cannot be completed, or a conflict prevents us continuing.

On termination you remain responsible for fees and approved disbursements up to the termination date, plus reasonable agreed transition costs. We will tell you about known filing deadlines and immediate risks, and we will de-link you from our IRD tax agency list. You must appoint another adviser and meet your ongoing obligations. We will take reasonable steps to hand over relevant records, subject to the law and privacy requirements.

15. Changes and governing law

Material changes to services, fees, periods or responsibilities must be agreed in writing. This engagement is governed by the laws of New Zealand, and the parties submit to the jurisdiction of the New Zealand courts, subject to any rights that cannot be excluded by law.

16. Client acceptance

By signing, you confirm that you have read and understood this letter, including the authority in section 5 and the AML/CFT requirements in section 8; that you agree to the services, terms and fees; that you will give us accurate and timely information; and that, if you are signing for an entity, you have authority to bind it.

CLIENT / AUTHORISED REPRESENTATIVE	FOR METTA TAX & ACCOUNTING SERVICES LIMITED
Name: _____	Name:
Entity (if applicable): _____	Position: Director
Position / capacity: _____	Signature: _____
Signature: _____	Date: ___/___/_____
Date: _____	

Please keep a signed copy of this letter and your authorities for your records.