

# RICHARD BUCHANAN & CO

## Engagement Letter

**Year Ended 2017**

### **Dear Client**

This letter is to confirm our understanding of the terms of our engagements and the nature and extent of the services we will provide.

Unless otherwise agreed between us in writing, this letter records the entire agreement between us in relation to our engagements.

The terms recorded in this letter will remain in force until varied by us in writing to you, or until cancelled by either of us in writing to the other.

### **Terms of Engagement**

On the basis of information you provide, we will compile for the year ended 2018;

1. Annual Financial Statements, and
2. Tax Returns

This engagement will be performed in accordance with Service Engagement Standard No. 2 *Compilation of Financial Information* (SES-2) issued by the New Zealand Institute of Chartered Accountants.

The Financial information will be prepared in accordance with the CAANZ Special Purpose Financial Reporting Framework for For-Profit Entities, and this will be disclosed as part of the financial information. Any known departures from CAANZ will be disclosed within the financial statements and referred to in our compilation report.

Our procedures will not include verification or validation procedures. No audit or review engagement will be performed and accordingly no assurance will be expressed.

Our compilation report on the financial statements of the entity will be issued on completion and is currently expected to read as follows:

### **Scope**

On the basis of information you provided we have compiled, in accordance with Service Engagement Standard No. 2: *Compilation of Financial Information*, the financial statements of the entity.

These have been prepared in accordance with CAANZ Special Purpose Financial Reporting Framework for For-Profit Entities, described in Note 1 to the 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.

### **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.

### **Fees**

All fees rendered by our firm are based on the value of time spent on each assignment charged at a rate in line with current business practice. Members of our team are assigned to various duties in respect of individual clients so that the costs incurred are appropriate to the particular assignment.

Since the firm is required to finance the costs incurred during your assignment, it is our practice to render interim billings against costs incurred to date. Instalments paid by you are credited to your account and are detailed in the final billing date made at the completion of each assignment. Payments on account are to be made by the 20th of the month following invoice date.

Yours Faithfully

**Richard Buchanan & Co**