

## Appendix B – CAANZ fine print

- a) We will use our professional skills to do the work you have requested based on information supplied by you. This work will be performed under Service Engagement Standard No.2 Compilation of Financial Information issued by Chartered Accountants Australia and New Zealand. Where required by legislation or requested by you, annual accounts will be prepared following generally accepted accounting practice in New Zealand. If necessary, additional explanations will be added to ensure that a true and fair view is given. The law applies to FMC reporting entities, large companies, most other companies with 10 or more shareholders, most large partnerships and limited partnerships, specified not-for-profit entities, retirement villages and others. Other annual accounts will be prepared in compliance with the minimum requirements of the Tax Administration (Financial Statements) Order 2014. We will also provide additional information that we believe will be useful to the users of the financial statements.
- b) Periodic accounts for management are not governed by legislation and will be prepared on the basis requested by management.
- c) 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 (see 'e' below).
- d) We will inform you of any suspicions of omissions or irregularities that come to our notice.
- e) We will provide a compilation report on all annual accounts that include a balance sheet. An example of a typical report, not specific to your circumstances, can be downloaded from our website.
- f) We will not conduct an audit or any other independent verification work. Consequently, we will not express any opinion on the accuracy of the material we compile or its suitability for any purpose.
- g) We will not necessarily establish or maintain independence. It is not a professional requirement to be independent before carrying out compilation work of this nature. However, any other relationship will be described in our compilation report.
- h) 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. However, should we become suspicious of any irregularities we will report it to you (see 'd' above).
- i) We will not accept liability in negligence or for any other reason to anyone but you and the duly authorised signatories to this agreement (see **20 . This agreement is between** above). Our compilation report will include a disclaimer to this effect.