



# **ENGAGEMENT LETTER FOR NON- AUDIT SERVICES**

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## Introduction

- 01 This guide serves to provide professional accountants with a basic reference tool when compiling engagement letters for the provision of non-audit services. It is not intended for this guide to replace knowledge or an understanding of laws and regulations applicable to the specific type of non-audit services to be undertaken. The professional accountant is at all times required to apply professional judgement as to whether any additional considerations derive from any laws or regulations that are not necessarily addressed in this guide. For the purposes of this guide, 'engagement letter' includes the standard terms and conditions.
- .02 Non-audit services provided by professional accountants are many and varied. These include amongst others, accounting related services; tax related services; other services, for example certificates and internal audit services. The permissibility of the non-audit service to be provided by the professional accountant goes beyond the scope of this guide. Nevertheless, professional accountants are reminded to consider their duties and responsibilities in regards to the independence requirements as set out in the SAICA Code of Professional Conduct or any other relevant code of professional conduct.
- .03 An engagement letter serves to define the legal relationship between a professional accountant and the client. Professional accountants should use engagement letters for all services provided to a client as a means of providing a clear understanding of the service/(s) to be rendered; clarifying the expectations of both parties and to prevent misunderstandings. An engagement letter documents and clarifies the:
- Nature, extent and scope of the service/(s) to be rendered
  - Duties and responsibilities of the client
  - Duties and responsibilities of the professional accountant
  - Terms and conditions for non-audit services
  - Agreement of all terms and conditions
- .04 Due to the varied nature of non-audit services which may be provided by a professional accountant, it is neither possible nor practical to provide a completely comprehensive guide and as such users of this guide are reminded to apply professional judgement in determining the complete content of the engagement letter.
- .05 This guide is set out as follows:
- Overall content considerations for an engagement letter for non-audit services
  - Illustrative engagement letter for non-audit services
  - Illustrative standard terms and conditions for non-audit services
  - Illustrative scope paragraphs for non-audit services

## Overall content considerations for an engagement letter for non-audit services

.06 An engagement letter for non-audit services should include, but is not limited to:

(1) **Addressee**

(2) **Introduction**

The introduction confirms the purpose of the engagement letter. For example, “We are pleased to confirm the arrangement for [*firm’s name*] to provide services to [*client’s name*] as set out in this engagement letter.”

(3) **Define the scope and objective (i.e. nature and extent)**

The scope should include both what the professional accountant will and will not do. It should also include exclusionary clauses (i.e., services to be rendered is limited to what has been defined in the engagement letter) and exculpatory clauses (i.e. a disclaimer regarding what the services to be rendered do not constitute, for example, the following exculpatory clause is included in an engagement letter to perform agreed-upon procedures: “The procedures that we will perform will not constitute an audit or a review made in accordance with Internal Standards on Auditing or International Standards on Review Engagements and, consequently, no assurance will be expressed).

This section should additionally specify letters and/or reports to be delivered to the client as well as identify specific parties who will receive the required deliverables.

(4) **Responsibility of the professional accountant**

This section details any additional responsibilities of the professional accountant, for example, any specific reporting responsibilities arising from laws and regulations

(5) **Staffing section** (optional)

This section should provide details of key members of the engagement team and client staff

(6) **Fees**

- Fee for non-audit services
- Billing dates
- Expected payment dates
- Nature and amount of fees that the client is responsible for, for example, travel expenses
- Possible increase in such fees due to unforeseen circumstances

(7) **Standard terms and conditions for non-audit services**

This section may be included in the content of the engagement letter or attached as a separate annexure thereto. An example of matters which may be addressed in the standard terms and conditions for non-audit services include, but is not limited to:

- Responsibility of management
- Intellectual property
- Confidentiality
- Reliance on client information
- Limitation of liability

(8) **Agreement of terms**

This letter should be supplemented with standard paragraphs applicable to additional services where appropriate.

The Director(s)  
[XYZ Limited]  
[Address]

Our Ref:  
[date]

Dear Sir / Madam

### **ENGAGEMENT LETTER FOR NON-AUDIT SERVICES - <DEFINE SERVICE>**

We appreciate the opportunity to be of service to <client>. We are committed to providing you with high quality professional services in an efficient and timely manner. This letter sets out the terms under which we will provide <non audit services> to <client>.

You have approved the provision of the non-audit services listed in the scope of work below, under the terms and conditions of this engagement letter. The limits on the extent of our non-audit services are as set out in the standard terms and conditions.

Where specific work is undertaken under this letter, the nature and result of the service will be recorded in the final deliverable arising from such work.

#### **Scope of work**

We will perform the following services:

*[State the scope and terms of the requirements of specific regulations governing the provision of such services. Appendix A to this guide contains some examples of paragraphs you may include here.]*

*The scope of the services should ordinarily address the following:*

- *The objective of the service being performed;*
- *The scope of the service, including reference to the relevant national/international standards and practices;*
- *Directors and management's responsibility for the subject matter, establishment and maintenance of effective internal controls and processes;*
- *Directors' and management's responsibility for making all financial/non-financial records and related information available to the professional accountant;*
- *The anticipated form and content of the report to be issued, including the identity of the addressee;*
- *Any restrictions that will be placed on the use of the report; and*
- *A statement that an audit is not being performed and that an audit opinion will not be expressed. To emphasize this point and to avoid confusion, the professional accountant may*

*also consider explicitly stating that the [specific engagement] will not satisfy any statutory or third party requirements for an audit.*

**Reporting to management**

We expect to issue one or more reports setting out those matters which come to our attention during our engagement and which we consider to be significant. We will endeavour to make practical recommendations in respect of each of these items.

**Regulatory obligations [tailor as required]**

We have a statutory obligation to report matters to a regulatory oversight body such as the Independent Regulatory Board for Auditors (IRBA)<sup>1</sup>. Circumstances may arise where we are required to report certain matters to that body. Where permissible we shall bring such circumstances to your attention before doing so.

We confirm that the neither the partner nor the firm is a registered financial advisor and does not provide financial advice in accordance with the provisions of the Financial Advisory and Intermediary Services Act 37 of 2002. Should any financial advice be provided, that would be co-incident and informal. The partner or the firm does not intend that any such advice be acted upon. If financial advice is required, we can refer you to a registered financial advisor.

**Representations by management**

As part of our engagement process, we will request management to provide us with written confirmation concerning representations made to us or that we require in connection with the engagement.

*[It may be necessary to summarise certain significant representations that you may require from management pertaining to the specific services performed]*

**Fees [tailor as required]**

Our fees, plus expenses, will be billed as agreed from time to time and are payable on presentation of our invoice. Our time will be billed at the standard rates in force when our services are delivered.

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<sup>1</sup> The Independent Regulatory Board for Auditors (IRBA) is only used as an example; considerations have to be had to applicable laws and regulations.

**Agreement of terms**

We are available to discuss this letter with you should you so wish. Once agreed, the terms and conditions of this agreement will remain in force unless and until the agreement is replaced.

We look forward to full cooperation from your staff and we trust that they will make available to us whatever records, documentation and other information are requested in connection with our audit.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for the provision of non-audit services.

Yours faithfully

\_\_\_\_\_  
**Name**  
**Title**

The terms and conditions of engagement set out are acknowledged by:

\_\_\_\_\_  
<Client>

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorised signature

\_\_\_\_\_  
Designation

\_\_\_\_\_  
Date

<Insert name of firm>

## Standard terms and conditions for non-audit services

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All non-audit services provided by <insert name of firm> to a client in accordance with the **written agreement** with that client will be subject to the following standard terms and conditions in addition to what is stated specifically in the **written agreement**.

### 1. Definitions

Unless the context clearly indicates otherwise:

- reference to any gender shall include the other genders
- the singular shall include the plural

In these standard terms and conditions, the words and phrases set out below have the following meanings:

**Client** means the entity/entities, or the persons, named in the **written agreement** to which or whom services are to be provided by <insert name of firm>.

<Insert name of firm> means a (< >) in the Republic of South Africa; any division of < Insert name of firm> entity owned or managed by <insert name of firm> the partners, directors, employees, agents and contractors of <insert name of firm>. The contracting element of <insert name of firm> will usually be identified by our letterhead or set out in the **written agreement**.

**Services** mean the non-audit services to be rendered by <insert name of firm> as set out in the **written agreement**.

**Written agreement** means the letter of engagement, or contract, or proposal, or other document between the **client** and <insert name of firm> setting out the **services** to be provided and the related terms and conditions.

### 2. Headings have no effect

The headings in the **written agreement** and in these terms and conditions shall not in any way affect or govern the interpretation or construction of the applicable terms and conditions.

### 3. General principles

In providing any non-audit services, <insert name of firm> will:

- not act in the capacity of management,
- not act as a formal advocate of or representative for **client**,
- not decide on what recommendations/alternatives to accept or implement,

where as the client will be responsible for:

- making all management decisions and performing all management functions including deciding on what recommendations/alternatives to accept and implement.
- designating a competent management member to oversee the services.
- evaluating the adequacy and results of the services.
- establishing and maintaining internal controls and for determining the adequacy of accounting systems.
- monitoring ongoing activities, and
- the maintenance of the accounting records, preparation of the annual financial statements and safeguarding the assets of the company.

<Insert name of firm>

## Standard terms and conditions for non-audit services

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The **services, written agreement** and any related matters are governed by South African law and any claims will be subject to the exclusive jurisdiction of the courts in South Africa.

The written **agreement** and these standard terms and conditions, together with any documents specified in the **written agreement**, constitute the entire agreement between **<insert name of firm>** and the **client** and supplants any prior oral or written representations, if any. They may be varied only by the written agreement of both **<insert name of firm>** and the **client**.

Where **services** are subcontracted and this has been acknowledged by the **client**, this **written agreement** and any related approvals for the provision of non-audit services will also apply to such subcontracted **services**.

Where it is intended that the non-audit services should also be provided to group companies and divisions of **client**, any approvals given will be deemed to also apply to **services** to be provided by a member firm which is part of **<insert name of firm>** in terms of a separate engagement letter of agreement that may be concluded with the group company or division concerned.

**<Insert name of firm>** and the **client** are independent contractors. Neither party shall act or represent itself as an agent of the other and shall not in any manner assume or create an obligation of, or in the name of, the other.

#### 4. Validity

Where the written agreement is a proposal, it shall be valid for a period of 60 days from the date of issue, unless otherwise indicated. Where there is a conflict between the terms in the **written agreement** and these standard terms and conditions, these standard terms and conditions will apply.

#### 5. Provision of services

**<Insert name of firm>** will endeavour to deliver the **services** with the requisite level of skill, integrity and professional competence at all times.

**<Insert name of firm>** may subcontract any **services** under this **written agreement** to any member firm which is part of **<insert name of firm>** or, with the consent of the **client**, to any other party. **Client's** relationship is solely with **<insert name of firm>** as the entity contracting to provide the **services**.

Where the delivery of the **services** requires information from, or the co-operation of, officials and employees of the **client**, the **client** undertakes to use its best efforts to ensure that its directors, management, officials and employees are available when required and that they provide the necessary information and co-operation on a timely basis. Reasonable facilities and access to data and information will be provided by the **client**.

Where **<insert name of firm>** personnel to deliver the **services** are named in the **written agreement**, **<insert name of firm>** will take reasonable steps to ensure that such personnel are used. Nevertheless, **<insert name of firm>** personnel may be absent for short periods of time due to other commitments, annual leave or training. **<insert name of firm>** will endeavour to avoid any disruption to the delivery of the **services** as a result thereof.

**<Insert name of firm>** may need to substitute named personnel and, in such an event,

<Insert name of firm>

## Standard terms and conditions for non-audit services

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reasonable notice thereof will be given to the **client** and replacement personnel of equivalent ability will be provided.

### 6. Intellectual property

<Insert name of firm> shall retain all intellectual property rights in all materials and working papers, including methodologies, know-how, trade secrets, software and tools used, provided or developed by <insert name of firm> in providing and delivering the **services**.

Except for cases where a licence is expressly granted by <insert name of firm>, the **client** shall acquire no rights or interest in such property.

Any intellectual property and proprietary rights in material provided by **client** for performing the services shall remain the property of **client**.

### 7. Non-exclusivity

The **client** acknowledges that <insert name of firm> provides a variety of other services to a large and diverse range of clients. The provision of the **services** to the **client** will not prevent <insert name of firm> from providing the same or similar **services** to other parties, some of whom could be competitors of the **client** or who may be in conflict with the **client**.

The **client** also acknowledges that <insert name of firm> may already have provided the same or similar **services** to other parties.

Where <insert name of firm> is aware of the same or similar **services** being provided to other parties, safeguards will be implemented to protect the interests of the **client**. These safeguards will include the use of different personnel and other barriers to ensure the confidentiality of information.

Whilst <insert name of firm> will be bound by the confidentiality clauses mentioned below, <insert name of firm> shall have the right to use the name of the **client** and a description of the **services** as a reference in seeking to provide services to other parties, unless the **client** expressly forbids this.

### 8. Confidentiality

<insert name of firm> will keep confidential all information obtained from the **client** except such information as is in the public domain, or where the **client** agrees to <insert name of firm> making this information available to other parties.

Notwithstanding the above clause, **client** acknowledges that <insert name of firm> may be required to disclose confidential information to its legal advisers, insurers, the Independent Regulatory Board for Auditors, or to another party under any law requiring such disclosure. Disclosure in any of these instances will be permissible and will not be a breach of confidentiality.

The **client** agrees to keep confidential any methodologies, technology, know how, trade secrets, software and tools used, provided or developed by <insert name of firm> in providing and delivering the **services**. Similarly, any information provided or developed by <insert name of firm> will be kept confidential, unless <insert name of firm> expressly agrees in writing to the **client** making this available to other parties. This confidentiality requirement will not apply to any information that **client** is required by law to disclose to another party.

<Insert name of firm>

## Standard terms and conditions for non-audit services

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Where the **written agreement** is a proposal for work to be performed and the **client** does not accept the proposal, any documentation or property specifically identified by <insert name of firm> will be returned to <insert name of firm> on request.

The **client** acknowledges that <insert name of firm> is required, in terms of professional standards, to retain documentation to support the work done and any deliverables provided. Where this documentation includes confidential information of the **client**, <insert name of firm> will be entitled to retain such documentation.

9. Professional fees

The basis of charging professional fees is set out in the **written agreement**.

Disbursements and out-of-pocket expenses incurred in providing the **services** will be charged at cost or our predetermined rates. These include all reasonable expenditure necessary for the successful completion of the **services** including but not limited to travelling, subsistence, goods and services purchased on the **client's** behalf, communications, stationery, report and presentation material, secretarial time and computer charges.

Invoices for fees and expenses/disbursements will be presented as agreed or on completion of the **services** whichever is the earlier. Invoices are payable on presentation.

Interest will be accrued at <X%> on all amounts outstanding, for whatsoever reason, longer than thirty days from the date reflected on our invoice. Such interest will be calculated on a monthly basis and all payments will be allocated first to interest, then to disbursements, and then to the oldest outstanding fee.

The **client** acknowledges that <insert name of firm> may suspend provision of the **services** until all amounts due are paid in full.

10. Use of reports and other deliverables

Any advice, report, certificate, schedule or other deliverable arising from or in connection with the **services** will be for the sole use of the party or parties to whom it is addressed and may be relied upon only by that party or parties and used solely for the purpose/s for which it was prepared. No person other than the party or parties to whom it is addressed shall be entitled to place any reliance thereon for any purpose whatsoever.

Any such advice, report, certificate, schedule or other deliverable is based on the particular facts and circumstances of the **client** at a particular point in time and on any applicable prevailing rules and regulations in force. Consequently, such advice, report, certificate, schedule or other deliverable may well not be relevant to another party or at a different time and under different circumstances. <Insert name of firm> does not warrant or guarantee that there will be no change to relevant facts and circumstances in the future or that future events or outcomes will transpire.

Unless otherwise indicated in the advice, report, certificate, schedule or other deliverable, copies or extracts therefrom may be made available to the addressee's advisors provided that they are to be used by the advisors solely for the purposes stated in such advice, report, certificate, schedule or other deliverable and provided that the advisors are made aware of paragraphs 11 and 12.

Copies, in whole or in part of the advice, report, certificate, schedule or other deliverable or extracts therefrom may not be made available to any other party without the prior

<Insert name of firm>

## Standard terms and conditions for non-audit services

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express written consent of <insert name of firm>, which consent may be given or withheld at our absolute discretion.

The **client** indemnifies <insert name of firm> against any claim by any third party arising from a copy of any report, certificate, schedule or other deliverable or extract therefrom which the third party received from the **client** or its advisors.

Only the final signed report, certificate, schedule or other deliverable should be relied and acted upon. Oral communications and draft reports/certificates/other documents must be regarded as preliminary and intended only for discussion purposes.

### 11. Reliance on client information

The **services** or any portion thereof, is dependent on information supplied by the **client**. <Insert name of firm> shall be entitled to assume that all the data and information provided by **client** is accurate, reliable and complete. <Insert name of firm> will not be liable to the **client** or to any third party for any damages suffered as a result of the **client** providing any information that is incorrect or incomplete or where the **client** fails to disclose any relevant information to <insert name of firm>; and the **client** indemnifies <insert name of firm> against any claims or expenses relating thereto.

### 12. Limitation of liability

Our liability for non-audit services shall be limited as follows:

<Insert name of firm> remains responsible to the **client** for all of the **services** under this **written agreement** including **services** that may be performed by a party subcontracted by <insert name of firm>. Accordingly, to the fullest extent possible under applicable law, <insert name of firm> will have any liability to the **client** and the **client** will not bring, and will ensure that no other member of the **client** group brings, any claim or proceedings of any nature (whether in contract, tort, breach of statutory duty or otherwise, and including, but not limited to, a claim for negligence) in any way in respect of or in connection with this **written agreement** against any of the <insert name of firm> **entities** except <insert name of firm>.

The maximum liability of <insert name of firm>, its partners, employees, and agents in respect of any and all claims which may arise in respect of the **services** shall be limited to two times the fees charged for these services individually. This maximum liability shall be an aggregate liability for all claims howsoever arising, whether by contract, delict, negligence or otherwise.

Where **services** are rendered otherwise than in terms of a **written agreement**, this clause shall apply separately to services relating to each invoice issued.

<Insert name of firm>, its partners, employees and agents will not be liable to the **client** or any third party for any consequential, punitive or any other loss or damages beyond the maximum liability specified.

Any claims, howsoever arising, must be commenced formally within three years after the party bringing the claim becomes aware (or ought reasonably to have become aware ) of the facts which give rise to the action and, in any event, no later than three years after any alleged breach of contract, negligence, delict or other cause of action.

This limitation will not apply where <insert name of firm> is guilty of wilful misconduct or gross negligence.

<Insert name of firm>

## Standard terms and conditions for non-audit services

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<Insert name of firm> will not be liable for any delays resulting from circumstances or causes beyond its reasonable control, including without limitation, fire or other casualty, strike or labour dispute, war or other violence or cause through any law, order or requirement of any governmental agency or authority.

Where the services comprise forensic work or litigation support:

- the **client**, in addition to the limitations indicated above, indemnifies <insert name of firm> against all liabilities, losses, damages, claims, demands and reasonable expenses including, but not limited to attorneys fees and expenses, in any action brought against <insert name of firm> by any other party except the client in connection with or arising out of such services. This indemnification shall not apply in respect of wilful misconduct or gross negligence on the part of <insert name of firm>;
- <insert name of firm> shall have no responsibility or liability whatsoever in respect of any advice given or work undertaken for the client by persons who are not partners, directors, principals, members of staff or employees of <insert name of firm>, regardless of whether or not such persons were introduced to the client by <insert name of firm>.

### 13. Termination

The **written agreement** may be terminated forthwith by the **client** or <insert name of firm> in the event of either party going into liquidation or having a judicial manager appointed over all or part of its activities.

*[Include any other basis on which a non-audit service or services may be terminated. For example, by either party giving 30 days notice]*

In the event of either the **client** or <insert name of firm> being in breach of any of the terms of the **written agreement**, the other party may, by written notice require the party which is in breach to remedy such breach. If this has not been remedied within 14 days of receipt of such notice, or if the breach is incapable of being remedied, the other party may in writing terminate the **written agreement** without prejudice to its right to claim damages.

<Insert name of firm> will be able to terminate the **written agreement** in the event of changes to laws, regulations, or the shareholding/group structure that would render such services illegal or in conflict with independence or professional rules.

### 14. Legal addresses

The **client** and <insert name of firm> each choose the address set out opposite its name in the address clause of the **written agreement** as its legal address.

Any notice to be given in terms of the **written agreement** or these standard terms and conditions must be in writing and delivered to the legal address of the party concerned.

Written notice given in a correctly addressed envelope, delivered by hand to a responsible person during ordinary business hours shall be deemed to have been received on the day of delivery.

<Insert name of firm>

**Standard terms and conditions for non-audit services**

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15. Severability of clauses

If any provision or clause of the **written agreement** or of the standard terms and conditions becomes invalid or unenforceable, such provision or clause shall be divisible and be regarded as pro non-scripto and the remainder of the **written agreement** and the standard terms and conditions shall remain in force and be binding.

A waiver or variation of any individual requirements with the **written agreement** or of the standard terms shall not result in a variation of any other terms or in the cancellation of the entire **written agreement** or of the standard terms. Waivers or variations will only be of effect if reduced to writing.

## Annexure A – List of non-audit services

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This appendix includes suggested wording for various non-audit services that may be used as a basis to document the scope of work in the engagement letter. This is not an exhaustive list of non-audit services. The wording below should be tailored to align with your specific needs and requirements.

### **Accounting Related Services**

#### *Accounting assistance:*

- Assistance with the writing up of the books and records of the business.
- Preparation of annual financial statements for approval by you.
- Preparation of monthly management accounts.
- Assistance with processing of company's payroll.
- Other [*Specify the nature and extent.*]

#### *Company secretarial assistance:*

- Without taking on the responsibilities of the company secretary we will maintain the following registers and minute books in an up-to-date condition, and in the manner required by the Companies Act, 1973, of South Africa. It is your responsibility to provide us with complete, reliable and accurate information timeously, so that we can maintain these registers and minute books. The following will be maintained:
  - Register of members.
  - Register of debenture holders.
  - Register of directors and officers.
  - Register of pledges, cessions and bonds.
  - Register of interests in contracts of directors and officers.
  - Minute books of the proceedings of general and board meetings.

#### *Secretarial compliance work:*

- On an annual basis, and if required, we will draft the following documents in connection with the adoption of the annual financial statements:
  - Minutes of a board meeting, in order to formally approve the annual financial statements for placing before the members.
  - Notice (and, where appropriate, waiver of notice) of the annual general meeting.
  - Letters of proxy (where necessary).
  - Minutes of annual general meeting.

Where an annual general meeting will not be held, we will arrange for the signature of the directors and annual general meeting resolutions to be recorded in terms of the Companies Act. We will be pleased to carry out any additional statutory work as and when required.

## **Annexure A – List of non-audit services**

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### *Secondments:*

- To second personnel to [Client] to serve as a resource to render services to [Client] under their control and supervision, and for which [Client] assume all responsibility.

### **Tax Related Services**

#### *Acquisitions and disposals:*

- General tax advisory services in connection with the income and other tax consequences of any proposed business acquisition or disposal and advising thereon, including assistance with implementation thereof.

#### *Compliance:*

- Assistance with preparation and submission of income, provisional, and employees' tax returns, schedules thereto, related compliance, and advising thereon.
- Assistance with preparation and submission of secondary tax on companies returns, schedules thereto, related compliance, and advising thereon.
- Assistance with preparation and submission of VAT returns, schedules, related compliance, and advising thereon. <In view of the penalties for late submission of VAT returns, we expect timely receipt of the necessary information from you in order for us to prepare and submit VAT returns within the prescribed period. You will continue to be responsible for ensuring the completeness and accuracy of information in the VAT returns and for the timely submission of the returns.>
- Turnover reconciliations and calculation of apportionment ratios for VAT.

#### *Establishment services:*

- General tax and legal advisory services in connection with the establishment of new entities and assistance with registration for income tax, employees' tax, VAT and related registrations of new entities.

#### *Interaction with SARS:*

- General tax advisory services in connection with queries from or other interactions with the South Africa Revenue Service (SARS) regarding income tax, employees' tax, secondary tax on companies, capital gains tax, VAT, customs and excise duties, and similar taxes.
- Assistance with the preparation of responses and related correspondence in connection with SARS queries as above, requesting reasons, objections, appeals and alternative dispute resolution procedures, attendances at meetings, assistance with court papers and other representations, but excluding litigation services in a court of law.
- Assistance with the formulation of applications, rulings, directives, interpretations and similar correspondence with SARS and engaging with them in connection therewith, for the taxes listed above.
- Advising on and assisting with regularisation of any omission or oversight in the event that it is discovered that an error has occurred, for the taxes listed above.

#### *Tax Advisory:*

- General tax advisory services in connection with the tax consequences of any transaction, structure, agreement or other matter which any company in the Group is or may become engaged in, or may be interested in, including but not limited to income tax, employees tax, capital gains tax, secondary tax on companies, VAT, customs and excise and international tax matters and interpretation.

## **Annexure A – List of non-audit services**

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### *Year End Tax Provisioning:*

- Assistance with preparation of tax computation for year-end provisioning purposes and advising thereon.
- Assistance with preparation of deferred tax computation for year-end provisioning purposes and advising thereon.

### **Other Related Services**

#### *Certificates:*

- Valuations certificates relating to <define> requirements (i.e. for shareholders / directors as opposed to valuation certificate for regulators).
- Certificates relating to <define> requirements (i.e. turnover, royalty, verification, operating leases certificates).

#### *Customs and Incentives:*

- General advisory services in connection with the availability or applicability of any incentive, grant, concession or similar which [**Client**] may become engaged in, or may be interested in or eligible for.
- General advisory services in connection with the customs and excise implications of any transaction, structure, agreement or other matter which [**Client**] are or may become engaged in, or may be interested in.
- Assistance with the formulation of applications, rulings, directives, interpretations and similar correspondence with the appropriate State Department and engaging with them in connection therewith.
- Review of applications, documentation, contracts and similar prepared by [**Client**] or third parties to ensure compliance with applicable legislation and [**Client**]'s requirements, and advising thereon.
- Assisting with defending action for increase/ decrease in excise duties.

#### *Exchange Control:*

- General advisory services in connection with queries from or other interactions with Exchange Control.
- Assistance with the preparation of responses and related correspondence in connection with Exchange Control queries, disputes and appeals, attendances at meetings, assistance with representations, but excluding litigation services in a court of law.

## Annexure A – List of non-audit services

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### *Internal Audit Services:*

Internal audit services involve assisting the client in the performance of its internal audit activities. Examples of internal audit services are:

- Monitoring of internal control, comprising the reviewing controls, monitoring their operation and recommending improvements thereto.
- Examination of financial and operating information – reviewing the means used to identify, measure, classify and report financial and operating information, and specific inquiry into individual items including detailed testing of transactions, balances and procedures.
- Review of compliance with laws, regulations and other external requirements, and with management policies and directives and other internal requirements.

### *Legal services:*

- Assistance with preparation of contracts, documentation, share incentive schemes, applications and similar.
- Review of documentation, contracts and similar prepared by **[Client]** to ensure compliance with applicable legislation and **[Client]**'s requirements, and advising thereon.