



# Civil Resolution Tribunal

Date Issued: January 14, 2020

File: SC-2019-006260

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Bosman General Accountant Ltd. v. Deshane*, 2020 BCCRT 50

**B E T W E E N :**

**BOSMAN GENERAL ACCOUNTANT LTD.**

**APPLICANT**

**A N D :**

**DAVID DESHANE and PAMELA DESHANE**

**RESPONDENTS**

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## **REASONS FOR DECISION**

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Tribunal Member:

Julie K. Gibson

### **INTRODUCTION**

1. This is a dispute over payment for bookkeeping services.
2. The applicant Bosman General Accountant Ltd. says it was not paid \$2,226.00 for bookkeeping services provided to the respondents David DeShane and Pamela DeShane.

3. The respondents say the applicant's bookkeeping services were deficient. The respondents say the applicant failed to file their 2012 personal taxes, resulting in penalties. The respondents ask that the dispute be dismissed.
4. The applicant is represented by business contact Henk Bosman. The respondents are each self-represented.

## **JURISDICTION AND PROCEDURE**

5. These are the formal written reasons of the Civil Resolution Tribunal (tribunal). The tribunal has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). The tribunal's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the tribunal must apply principles of law and fairness, and recognize any relationships between parties to a dispute that will likely continue after the dispute resolution process has ended.
6. The tribunal has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. I decided to hear this dispute through written submissions, because I find that there are no significant issues of credibility or other reasons that might require an oral hearing.
7. The tribunal may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in a court of law. The tribunal may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.
8. Where permitted by section 118 of the CRTA, in resolving this dispute the tribunal may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the tribunal considers appropriate.

## **ISSUE**

9. The issue in this dispute is whether the applicant satisfactorily completed the bookkeeping services for the respondents such that the respondents must pay the claimed \$2,226.00.

## **EVIDENCE AND ANALYSIS**

10. In this civil claim, the applicant bears the burden of proof on a balance of probabilities. I have reviewed the evidence and submissions but only refer to them as I find necessary to provide context for my decision.
11. Based on the documents filed evidence, I find that, on April 30, 2018, Mr. DeShane signed an agreement with the applicant to be responsible for its bookkeeping services on a time spent basis at standard billing rates, with invoices due when the services were rendered. The agreement did not specify an interest rate for overdue accounts.
12. Between February and June 2018, the applicant provided bookkeeping services to the respondents. I find that the work was performed according to the terms of the April 30, 2018 written agreement, which I infer was preceded by a verbal agreement on the same terms binding both respondents.
13. The applicant says the respondents failed to pay for the following work:
  - a. \$1,260 for bookkeeping and related work for the year ended December 31, 2017,
  - b. \$703.50 for preparing a filing a T5018 summary and related materials for 2011-2016, and
  - c. \$262.50 preparing 2017 tax returns for each respondent.

14. Based on the applicant's filed documents, I find that the applicant provided the bookkeeping work for the respondents as described in the claim.
15. The burden of proving a deficiency in the applicant's work rests on the respondents.
16. The respondents' only objection to the quality of the applicant's work product was that a deadline was missed for filing 2012 personal tax returns. None of the claimed invoices relate to the 2012 personal tax returns. I find this submission irrelevant to this dispute. As well, the applicant says the respondent provided the underlying documentation for those tax returns late in any event. The respondent did not provide any documentary evidence to the contrary.
17. The respondents filed a May 22, 2018 letter to Mr. DeShane from the Canada Revenue Agency (CRA) indicating that the T5018 information returns for 2011-2016 were overdue. The letter specifies that the information must be submitted by June 22, 2018.
18. The correspondence filed by the applicant proves that, once it received instructions from the respondents, the applicant filed the T5018 information returns for 2011-2016. I find that the applicant remitted the T5018 information returns to the CRA by the June 22, 2018 deadline.
19. The respondents submit that the applicant's alleged errors cost them \$5,976.04 in penalties and \$4,503.40 in interest, totalling \$10,479.44. The respondents also say that the applicant's employee told them the applicant had forgotten to file some documents. There was no independent evidence to prove these allegations. The respondents did not provide correspondence to prove any penalties were levied against them, nor any documentation that the applicant acknowledged some error on its behalf. Due to the lack of evidence, I reject these submissions.
20. I find that the respondents owe the applicant the claimed \$2,226.00.
21. The applicant claimed 18% contractual interest on the overdue amounts. The invoices specify a 1.5 % monthly interest rate on overdue accounts. Because the

contractual interest rate was not set out in the parties' agreement, but only in a later invoice, I dismiss the applicant's claim for contractual interest.

22. The *Court Order Interest Act* applies to the tribunal. The applicant is entitled to pre-judgment interest on the \$2,226.00 from June 8, 2018 the date of the last invoice to the date of this decision. This equals \$63.03.
23. Under section 49 of the CRTA and tribunal rules, the tribunal will generally order an unsuccessful party to reimburse a successful party for tribunal fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule. I find the applicant is entitled to reimbursement of \$125 in tribunal. The applicant did not claim dispute-related expenses.

## **ORDERS**

24. Within 30 days of the date of this order, I order the respondents to pay the applicant a total of \$2,414.03, broken down as follows:
  - a. \$2,226.000 in payment for overdue invoices,
  - b. \$63.03 in pre-judgment interest under the *Court Order Interest Act*, and
  - c. \$125 tribunal fees.
25. The applicant is entitled to post-judgment interest, as applicable.
26. Under section 48 of the CRTA, the tribunal will not provide the parties with the Order giving final effect to this decision until the time for making a notice of objection under section 56.1(2) has expired and no notice of objection has been made. The time for filing a notice of objection is 28 days after the party receives notice of the tribunal's final decision.
27. Under section 58.1 of the CRTA, a validated copy of the tribunal's order can be enforced through the Provincial Court of British Columbia. A tribunal order can only be enforced if it is an approved consent resolution order, or, if no objection has

been made and the time for filing a notice of objection has passed. Once filed, a tribunal order has the same force and effect as an order of the Provincial Court of British Columbia.

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Julie K. Gibson, Tribunal Member