



# Civil Resolution Tribunal

Date Issued: June 20, 2022

File: SC-2021-009141

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Deloitte LLP / Deloitte S.E.N.C.R.L./S.R.L. v. Neufeld*, 2022 BCCRT 715

B E T W E E N :

DELOITTE LLP / DELOITTE S.E.N.C.R.L./S.R.L.

**APPLICANT**

A N D :

BRENDA NEUFELD, Executrix of the Estate of ELIZABETH NEUFELD,  
Deceased

**RESPONDENT**

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## REASONS FOR DECISION

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Tribunal Member:

Eric Regehr

## INTRODUCTION

1. The respondent, Brenda Neufeld, is the executrix of Elizabeth Neufeld's estate. Ms. Neufeld hired the applicant, Deloitte LLP / Deloitte S.E.N.C.R.L./S.R.L. (Deloitte), to perform accounting services for the estate. Deloitte sent its final bill on December

12, 2018, for \$2,247, which Ms. Neufeld undisputedly has never paid. Deloitte claims payment of the outstanding invoice.

2. Ms. Neufeld says that Deloitte failed to send an invoice until after the estate had already been wound up. She says she should therefore not have to pay the invoice.
3. Ms. Neufeld did not argue that Deloitte's claim was brought too late under the *Limitation Act*. However, Deloitte addressed the issue in its submissions because it applied for dispute resolution on November 30, 2021, more than 2 years after the invoice was due. Deloitte argues that the limitation period was suspended for 1 year by the *COVID-19 Related Measures Act* (CRMA). Deloitte also argues that the limitation period did not begin to run until November 20, 2020, when Deloitte says it realized Ms. Neufeld would not pay the outstanding invoice.
4. Deloitte is represented by an employee. Ms. Neufeld is self-represented.
5. For the reasons that follow, I find that Deloitte's claim is out of time under the *Limitation Act* and must be dismissed.

## **JURISDICTION AND PROCEDURE**

6. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness, and recognize any relationships between the dispute's parties that will likely continue after the CRT process has ended.
7. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate

that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.

8. Section 42 of the CRTA says the CRT 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 CRT may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.
9. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to pay money or to do or stop doing something. The CRT's order may include any terms or conditions the CRT considers appropriate.

## **ISSUES**

10. The issues in this dispute are:
  - a. Does the 1-year suspension of the limitation period apply to CRT claims?
  - b. If not, when did the limitation period begin to run on Deloitte's claim?

## **EVIDENCE AND ANALYSIS**

11. In a civil claim such as this, Deloitte as the applicant must prove its claims on a balance of probabilities. While I have read all the parties' evidence and submissions, I only refer to what is necessary to explain my decision.
12. The estate hired Deloitte in 2016. In February and March 2018, Deloitte assisted the estate by preparing a clearance certificate for a non-resident beneficiary of the estate. The estate's final distribution and windup was in August 2018. However, Deloitte did not provide the estate with its final invoice until December 12, 2018. Deloitte says that the delay was because neither Ms. Neufeld nor her lawyer told Deloitte about the final distribution. Given my conclusion, I find nothing turns on the reason for this delay.

13. Contrary to Deloitte's submissions, the invoice's terms explicitly stated that it was "due and payable when rendered" even though interest did not begin to accrue unless the invoice was unpaid for 30 days. In other words, payment was due on December 12, 2018.
14. On January 2, 2019, Ms. Neufeld emailed a Deloitte employee advising that the estate's accounts were closed. She said that Deloitte had not provided their invoice in time to be paid. Ms. Neufeld did not pay the invoice.
15. Deloitte applied to the CRT for dispute resolution on November 30, 2021.
16. Under section 13 of the CRTA, the *Limitation Act* applies to the CRT. The *Limitation Act* creates a 2-year limitation period for most claims, including debt claims like Deloitte's.
17. I will first address Deloitte's argument about the suspension of the limitation period. Deloitte relies on the automatic suspension of the limitation period that applied between March 26, 2020 and March 25, 2021 under the CRMA. The terms of the limitation period suspension were set out in the *COVID-19 (Limitation Periods in Court Proceedings) Regulation*, which only referred to the BC Provincial Court, BC Supreme Court, and BC Court of Appeal. Administrative tribunals like the CRT were not included. So, I find that the automatic 1-year limitation period suspension does not apply to Deloitte's CRT claim.
18. Rather, the CRMA gave administrative tribunals like the CRT discretion to waive or suspend any time limit, including limitation periods. However, that authority expired 90 days after the end of the COVID-19 state of emergency. The state of emergency ended on June 30, 2021, so I find that the CRT's power to waive a limitation period expired at the end of September 2021. Because Deloitte applied for dispute resolution on November 30, 2021, I find that the CRT has no authority to waive or extend the limitation period.
19. Deloitte's other argument is that it did not discover its claim until November 20, 2020, so its claim is within the 2-year limitation period. Under section 8 of the

*Limitation Act*, the limitation period starts running when a party discovers their claim. A party discovers a claim when they know or reasonably should know that another person has caused them a loss and that a legal proceeding would be an appropriate way to remedy the loss.

20. Deloitte relies on correspondence it had with the estate's lawyer. A Deloitte employee emailed the lawyer on November 18, 2020, asking for Deloitte's invoice to be paid. On November 20, 2020, the lawyer responded they were unaware of the outstanding invoice but had no responsibility to pay for it. The estate's lawyer agreed to forward the email to Ms. Neufeld. Deloitte argues that this is when it realized that Ms. Neufeld would not pay the bill. Deloitte argues that it therefore did not discover its claim until November 20, 2020.
21. I disagree. I find that, in general, a creditor (here, Deloitte) discovers that it has a claim when the debtor (here, Ms. Neufeld) fails to pay the debt when due. Deloitte's debt was due on December 12, 2018, and I find that this is when Deloitte discovered its claim. My conclusion is consistent with Deloitte's own past correspondence. It sent several outstanding account reminders in 2019. Notably, on August 24, 2020, Deloitte wrote Ms. Neufeld threatening legal action if Ms. Neufeld did not pay by the end of that week. I find that this clearly shows that Deloitte knew it had a legal claim against Ms. Neufeld and knew that legal proceedings would be the appropriate way to remedy the loss.
22. I therefore find that Deloitte had until December 12, 2020, to start a CRT dispute against Ms. Neufeld. I find that Deloitte's claim is out of time under the *Limitation Act*. For that reason, I dismiss Deloitte's claim. Having reached this conclusion, I find it unnecessary to address the parties' other arguments.
23. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. Deloitte was unsuccessful, so I dismiss its claim for CRT fees and dispute-related expenses. Ms. Neufeld did not claim any dispute-related expenses or pay any CRT fees.

## **ORDER**

24. I dismiss Deloitte's claim, and this dispute.

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Eric Regehr, Tribunal Member