



# Civil Resolution Tribunal

Date Issued: December 28, 2023

File: SC-2023-001041

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Madani v. Gorji*, 2023 BCCRT 1139

B E T W E E N :

SHIRIN MADANI

**APPLICANT**

A N D :

JAMSHID GORJI

**RESPONDENT**

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## REASONS FOR DECISION

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Tribunal Member:

Micah Carmody

## INTRODUCTION

1. Shirin Madani provided bookkeeping services for Jamshid Gorji. She also provided bookkeeping services for Mr. Gorji's wife, ZP. ZP is not a named respondent in this dispute but represents Mr. Gorji.

2. Mrs. Madani says Mr. Gorji has refused to pay her \$1,900 invoice. She also wants Mr. Gorji to pay \$150 for an extra job she says she did for ZP. She originally claimed \$2,050 but in submissions she reduces her claim to \$1,600 to account for a discount she agreed to. Mrs. Madani represents herself.
3. Mr. Gorji says the parties never agreed on a price for Mrs. Madani's work. He says Mrs. Madani has not properly accounted for his and ZP's payments, and they have actually overpaid Mrs. Madani. Finally, he says he owes nothing because Mrs. Madani made too many mistakes and took too long to finish the bookkeeping work.

## **JURISDICTION AND PROCEDURE**

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has authority 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.
5. 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. In some respects, the parties in this dispute call into question each other's credibility. Credibility of witnesses, particularly where there is conflict, cannot be determined solely by the test of whose personal demeanour in a courtroom or tribunal proceeding appears to be the most truthful. In *Yas v. Pope*, 2018 BCSC 282, the court recognized that oral hearings are not necessarily required where credibility is in issue. In the circumstances of this dispute, I find that I am able to assess and weigh the evidence and submissions before me. Bearing in mind the CRT's mandate that includes proportionality and prompt resolution of disputes, I decided to hear this dispute through written submissions.
6. 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.

## **ISSUES**

7. The issues in this dispute are:

- a. Did the parties agree on all the essential terms of a contract, including price?
- b. Did Mrs. Madani satisfactorily complete Mr. Gorji's bookkeeping work?
- c. What amount, if any, does Mr. Gorji owe Mrs. Madani for bookkeeping work?
- d. Does Mr. Gorji owe anything for Mrs. Madani's work for ZP?

## **EVIDENCE AND ANALYSIS**

8. As the applicant in this civil proceeding, Mrs. Madani must prove her claims on a balance of probabilities, meaning more likely than not. While I have considered all the parties' evidence and submissions, I only refer to what is necessary to explain my decision.
9. Mrs. Madani works as a bookkeeper. She says in July or August 2021 a friend, SG, introduced her to Mr. Gorji and ZP, who needed bookkeeping help for their respective businesses. Mrs. Madani says she explained to each of them that her rates were \$175 to \$200 per month of bookkeeping. She says ZP gave her documents to get started right away and Mr. Gorji provided documents later.
10. The evidence and submissions in this dispute are confusing. Mrs. Madani appears to treat Mr. Gorji and ZP as interchangeable when it comes to debt despite invoicing them separately. She says Mr. Gorji and ZP together owe her \$1,600, but her claim is only against Mr. Gorji and she does not identify exactly what he owes. She says ZP owes certain amounts but does not explain why Mr. Gorji is liable for ZP's debts. Neither party's math makes sense to me. Further complicating things, the submissions ZP makes for Mr. Gorji are generally written in the collective voice (we, ours and us) and do not always identify the source of payments. I have done the best I can with the limited evidence available.

11. There is no written contract. Mr. Gorji acknowledges that he entered into a professional relationship with Mrs. Madani, but says the parties never agreed on the scope of services, rates or payment terms. Although he does not say so explicitly, I find he argues that the parties did not have a valid contract because they did not agree on all the essential terms.
12. Mr. Gorji does not dispute that he instructed Mrs. Madani to prepare his business's 2021 year-end books, so I find the parties agreed on the work's scope. Mr. Gorji's stronger argument is about price. In the Dispute Response filed at the outset of this proceeding, Mr. Gorji said he and ZP told Mrs. Madani that the price could not exceed \$1,000. In submissions, he says the parties agreed on a \$1,500 fee for "both of our services." I find these submissions are inconsistent and undermine Mr. Gorji's argument.
13. Mrs. Madani relies on a witness statement from SG, who said she was present when the parties and ZP first met. SG said Mrs. Madani told ZP and Mr. Gorji that her rate was \$175 to \$200 per month. Mr. Gorji submitted a second letter from SG, asking to retract her witness statement because she believed both parties had enough evidence to present. I decline to remove the statement from the evidence. SG did not say her evidence was not true, nor did she give a satisfactory explanation for wanting to retract the statement. I find, based on SG's evidence together with Mrs. Madani's evidence and text messages referring to those rates, that Mr. Gorji knew Mrs. Madani would charge \$175 to \$200 for each month of bookkeeping work. So, I find all the elements of a binding agreement were present, including price. That said, as I explain below, it is undisputed that Mrs. Madani later agreed to reduce her price. I also find that Mrs. Madani's contract with Mr. Gorji was separate from her contract with ZP. I say this because Mr. Gorji and ZP each operated independent businesses for which Mrs. Madani provided bookkeeping services, and because she invoiced them separately.
14. Mrs. Madani worked on ZP's books first and when she finished in October 2021, started on Mr. Gorji's books. Mrs. Madani says she invoiced ZP \$2,650, but ZP was

unhappy with the invoice and asked for a lower rate of \$150 per month, which Mrs. Madani agreed to. She says this reduced ZP's invoice to \$2,050, although she does not explain how she calculated this total. There are no ZP invoices in evidence.

15. Mrs. Madani says she finished Mr. Gorji's books in November 2021. In December, she invoiced him \$1,900, representing 12 months of bookkeeping at \$150 per month (\$1,800) plus a single \$100 charge for resolving discrepancies and creating financial statements.
16. On January 14, 2022 Mrs. Madani texted Mr. Gorji. After many unanswered texts she reminded him that he still needed to pay his \$1,900 invoice. He responded that he had been going through hard times but "shall act for sure" (translated). He did not dispute the invoiced amount, so I find that it reflected the parties' agreement.
17. I will briefly address Mr. Gorji's argument that Mrs. Madani's work was substandard or unprofessional. As the party alleging substandard work, Mr. Gorji bears the burden of proving the deficiencies (see *Absolute Industries Ltd. v. Harris*, 2014 BCSC 287 at paragraph 61). He has not done so here. There is no dispute that Mrs. Madani completed the bookkeeping work required for Mr. Gorji to submit his books to his accountant to complete his taxes on time. I find Mr. Gorji must pay the \$1,900 as invoiced, less any payments he made or ZP made on his behalf.
18. The parties agree that ZP paid Mrs. Madani \$2,600 through 4 e-transfers between December 2021 and March 2022. Mr. Gorji argues that this was an overpayment made under pressure. I reject that assertion as there is no evidence Mrs. Madani exerted undue pressure on Mr. Gorji or ZP. I find ZP paid voluntarily.
19. Mrs. Madani acknowledges that ZP made at least some payment on Mr. Gorji's behalf but does not say how much. Mr. Gorji says he made the fourth payment, which was \$850. Neither party provided payment records, but I find on balance that all the payments came from ZP's account. If I accept that ZP owed \$2,050, that would mean \$550 could be credited to Mr. Gorji's invoice, leaving a balance of \$1,350.

20. However, in my view the best evidence about what Mr. Gorji owed after accounting for any payments ZP made on his behalf is a May 5, 2022 text exchange between Mrs. Madani and ZP. Mrs. Madani said Mr. Gorji still owed \$1,300 and it was long overdue. ZP said that Mr. Gorji was unemployed and had no income but had not forgotten about the debt. She said he would pay it as soon as he had the money. So, I find Mrs. Madani considered only \$1,300 still owing after accounting for all payments up to May 5, 2022. Accordingly, I find Mrs. Madani is entitled to \$1,300.
21. I find Mr. Gorji is not responsible to pay the \$150 Mrs. Madani claims ZP owes for extra work. Although Mrs. Madani agreed to apply payments from ZP to Mr. Gorji's invoices, that does not mean Mr. Gorji accepted liability for ZP's debt for later work. Even if it did, Mrs. Madani has not provided sufficient evidence to prove the alleged extra work. I order Mr. Gorji to pay \$1,300.
22. The *Court Order Interest Act* applies to the CRT. Mrs. Madani is entitled to pre-judgment interest on the \$1,300 from December 15, 2021, the date it was payable, to the date of this decision. This equals \$74.91.
23. Under section 49 of the CRTA and CRT rules, a successful party is generally entitled to reimbursement of their CRT fees and reasonable dispute-related expenses. Mrs. Madani was partially successful, so I find she is entitled to reimbursement of \$62.50 for half her \$125 CRT fees. Mrs. Madani also claims \$125 for translation fees. I find the translation was necessary because the CRT rules require evidence be submitted in English, and the amount claimed is reasonable, so I find Mrs. Madani is entitled to \$62.50 for half the expense.

## **ORDERS**

24. Within 21 days of the date of this order, I order Mr. Gorji to pay Mrs. Madani a total of \$1,499.91, broken down as follows:
- a. \$1,300 in debt,
  - b. \$74.91 in pre-judgment interest under the *Court Order Interest Act*, and

c. \$125.00, for \$62.50 in CRT fees and \$62.50 for dispute-related expenses.

25. Mrs. Madani is entitled to post-judgment interest, as applicable.

26. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

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Micah Carmody, Tribunal Member