

# Engagement Notice & Standard Terms & Conditions

## Notice to Our Client

This Engagement Notice is to confirm our understanding of the terms & conditions of our engagement and the nature and limitations of the services that we provide for our clients.

### **1. Purpose, Scope and Output of the Engagement**

Our firm can supply the following services from time to time:

- All accounting and taxation services for Individuals, Partnerships, Companies, Trusts or Self Managed Super Funds
- Completion and lodgement of taxation returns
- Completion of Annual Accounts
- Complete and lodgement of Business Activity Statements
- Assistance with bookkeeping in relation to identifying and correcting problems
- Setting up of online or cloud based accounting or bookkeeping systems
- Completion or assistance with payroll runs or end of year balancing
- Completion of the annual ASIC return
- Management of ASIC requirements including Minutes
- Regular review of accounts as requested
- Taxation advice when required
- Telephone calls and all appointments
- Review of structures or ownership to maximise any taxation benefits
- Establishment of Companies, Trusts or Self Managed Super Funds.
- Payroll management & payment services
- Bookkeeping
- Any other accounting, taxation or financial services as agreed from time to time

Our services will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB), and any relevant legislation. The extent of our procedures and services will be limited exclusively for this purpose only. As a result, no audit or review will be performed and, accordingly, no assurance will be expressed. Our engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may exist. However, we may inform you of any such matters that come to our attention.

This engagement includes on the individual or entity which we have agreed to work upon

There is no assumption of responsibility for any reliance on our report by any person or entity other than yourself and those parties indicated. Our work shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, our reports and work may include a disclaimer to this effect.

### **2. Period of Engagement**

This engagement will start upon the appointment of our firm and our acceptance of the work to be undertaken. We will not deal with earlier periods unless you specifically asks us to do so and we

agree. Engagement can be by email instruction to proceed with the work required and does not require a formal signed agreement. Engagement is accepted when we confirm in writing that we will act.

This engagement document will be effective for future years and ongoing unless we issue an amended one to you.

### **3. Who may instruct us**

You confirm that you, and any other person you nominate in writing from time to time (provided we have acknowledged such nomination), are authorised to give us instructions and information on behalf of all persons we are acting for and to receive our advice and documents on their behalf. If we are acting for a business, and we receive conflicting advice, information or instructions from different persons, we may refer the matter to the board of directors, partners or proprietors (as applicable) and act only as requested by them.

### **4. Where applicable, you and your spouse/partner**

We will advise you and your spouse/partner on the basis that you are a family unit with shared interests. We may deal with either of you or may discuss with either of you the affairs of the other. If you wish to change these arrangements, please let us know.

### **5. Know your customer (AML/CTF regulations)**

We are required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and associated rules. This includes obligations to verify your identity and report suspicious matters to the Australian Transaction Reports and Analysis Centre (AUSTRAC). By engaging our services, you agree to provide any necessary information and documents to assist us in meeting our AML/CTF obligations. Failure to provide the required information may result in delays or our inability to proceed with the engagement. We may also be required to disclose certain information to AUSTRAC without notifying you, in accordance with legal requirements. To the maximum extent permitted by law, we are not liable for any consequences arising from such disclosures.

### **6. Responsibilities**

In conducting this engagement, information acquired by us in the course of the engagement, including any information relating to your affairs whether it belongs to you or not or is provided by you or not, is subject to strict confidentiality requirements.

We wish to draw your attention to our firm's system of quality control which has been established and maintained in accordance with the relevant APESB standard. As a result, our files may be subject to review as part of the quality control review program of CPA Australia which monitors compliance with professional standards by its members. We advise you that by accepting our engagement you acknowledge that, if requested, our files relating to this engagement will be made available under this program.

You are responsible for the reliability, accuracy and completeness of the accounting records, particulars and information provided and disclosure of all material and relevant information. You are required to arrange for reasonable access by us to relevant individuals and documents and shall be responsible for both the completeness and accuracy of the information supplied to us. Any advice given to you is only an opinion based on our knowledge of your circumstances. You or

your staff are responsible for maintaining and regularly balancing all books of accounts, and the maintenance of an adequate accounting and internal control system. You have obligations under self assessment to keep full and proper records to facilitate the preparation of accurate returns. It is your responsibility to keep those records for five (5) years.

Whilst the Commissioner of Taxation will accept claims made by a taxpayer in an income tax return and issue a notice of assessment, usually without adjustment, the return may be subject to later review. Under the taxation law such a review may take place within a period of up to four (4) years after tax becomes due and payable under the assessment. Furthermore, where there is fraud or evasion there is no time limit on amending the assessment. Accordingly, you should check the return before it is signed to ensure that the information in the return is accurate.

Where the application of a taxation law to your circumstances is uncertain you also have the right to request a private ruling which will set out the Commissioner's opinion about the way a taxation law applies, or would apply, to you in those circumstances. You must provide a description of all the facts (with supporting documentation) that are relevant to your scheme or circumstances in your private ruling application. If there is any material difference between the facts set out in the ruling and what you do the private ruling is ineffective.

If you rely on a private ruling you have received, the Commissioner must administer the law in the way set out in the ruling, unless it is found to be incorrect and applying the law correctly would lead to a better outcome for you. Where you disagree with the decision in the private ruling you can lodge an objection against the ruling if it relates to income tax, fuel tax credit or fringe benefits tax. Your time limits in lodging an objection will depend on whether you are issued an assessment for the matter (or period) covered by the private ruling.

If we are undertaking payroll services, the client is responsible for review of hourly rates & allowances being paid to staff.

## **7. Involvement of Others**

Where, as part of our engagement, the services of an external consultant or expert are required, an estimated cost and timeframe and involvement will be provided to you for your approval.

## **8. Outsourced Services**

Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of outsourced services as described. Where the outsourced service requires the disclosure of personal information to an overseas recipient a consequence of your consent is that we will be required to take reasonable steps to ensure that the Australian Privacy Principles are complied with by the overseas recipients of the Personal Information.

## **9. Storage of Personal Information**

By appointing us to complete any work or engaging our services you acknowledge and agree that your personal information may be stored in Australia or overseas.

## **10. Fees**

Any fee arrangement is based on the expected amount of time and have been set based on the level of skill, responsibility, importance and value of the advice, as well as the level of risk. If we have provided you with an estimate of our fees for any specific work, this is an estimate only and our actual fees may vary. We may provide a fixed fee for the provision of specific services. If it becomes apparent to us, due to unforeseen circumstances, that a fixed fee is inadequate, we may notify you of a revised figure and seek your agreement to it.

In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by the ATO. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such insurance was arranged through us, you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are to be paid by someone else.

We will bill on the basis outlined within this proposal and our invoices are due for payment either via Direct Debit if applicable or within 14 days of issue. Our fees inclusive of GST. Any disbursements and expenses we incur while performing our services will be added to our invoices where appropriate. Unless otherwise agreed to the contrary, our fees do not include the costs of any counsel, or other professionals or third parties engaged with your approval.

We may charge interest on late paid invoices at the rate of 5% above the RBA cash rate. (compounding monthly) We may also suspend our services or cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so. If invoices remain unpaid after the payment due date, we have the right to engage debt collection services for the collection of unpaid and undisputed debts and have the right to commence legal proceedings for any outstanding amounts owed to us. Any costs & expenses incurred during debt collection (including but not limited to legal & court fees) will be paid by the client.

Some services have **minimum fees** while others we will utilise an hourly rate.

Basic Personal Tax Return	\$ 275.00
Personal Return completed by a Director	\$ 330.00
Personal Return completed by a Manager / Partner	\$ 319.00
Rental Property (Minimum \$363.00) add per property	\$ 88.00
BAS completion or application	\$ 220.00
Sole Trader (basic)	\$ 363.00
Establishment of Company & Trust	\$2,600.00
SMSF Accounts, Tax Return, Compliance & Audit - Min	\$3,500.00
Hourly rates (based on work, skill & experience of staff)	\$176.00 - \$385.00

Our fees may be reviewed and adjusted annually without notice.

We may require payment of a retainer before commencing work.

Minimum fees apply to straightforward matters only. Additional fees apply where complexity exceeds standard scope of work.

## **11. Monthly Fees**

We may reach agreement with business clients to pay a monthly fee for accounting & taxation services. The fee agreement is based on a fixed monthly fee but should work be required outside the normal tasks for the client then an additional fee will be advised to the client prior to the fee being incurred. Cancellation of fees requires 7 days' notice from either party and may require an

additional payment if delivery of services for the current financial year has exceeded the fee paid using our standard hourly rates. No refund is payable if services have not been requested or delivered in any given financial year.

## **12. Ownership of Documents / Lien**

All original documents obtained from you arising from the engagement shall remain your property. However, we reserve the right to make a reasonable number of copies of the original documents for our records.

Our engagement may result in the production of other documents including electronic copies. All other documents produced by us in respect of this engagement will remain the property of the firm, subject to any statutory obligations.

If permitted by law or professional guidelines, we may exercise a lien over all materials or records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

We may destroy documents after 7 years unless otherwise agreed.

## **13. Confirmation of Terms**

Appointment of us to complete any work will confirm that you have agreed to our Engagement terms and we reserve the right to update or amend these terms without prior notice. This Engagement Authority will be effective for future years and ongoing unless amendments or updates are made at the discretion of the firm

## **14. Qualifications on our services**

To the extent our services involve the performance of services established by law, nothing in the engagement letter or these terms reduce our obligations under such law. You must not act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid and current.

Our services are limited exclusively to those you have engaged us to perform. Unless otherwise specified in the engagement letter, our services cannot be relied upon to disclose irregularities and errors, including fraud and other illegal acts, in your affairs. Neither an audit nor a review will be conducted and, accordingly, no assurance will be expressed. Where our engagement is recurring, we may amend our engagement letter and these terms where we consider it is necessary or appropriate to do so. If you do not accept such amendments, you must notify us promptly in which case you may terminate our engagement in accordance with this agreement, and those amendments will not apply prior to such termination.

## **15. Reliance on advice**

We will endeavour to record all advice on important matters in writing. Advice given verbally is not intended to be relied upon unless confirmed in writing. If we provide verbal advice (for example during a meeting or telephone conversation) that you wish to rely on, you must ask us to confirm the advice in writing.

## **16. Investment and financial advisory advice**

We will not provide you with investment or financial advice regulated under the *Corporations Act 2001* (Cth) unless we have expressly agreed to do so in writing, specifying an applicable Australian Financial Services License number.

### **17. Professional obligations**

We will comply with the professional and ethical standards of the Accounting Professional and Ethical Standards Board, available at [apesb.org.au](http://apesb.org.au). This includes APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, which among other things contains provisions that apply if we become aware of any actual or potential 'non-compliance with governing laws or regulations' (NOCLAR). Where any such non-compliance poses substantial harm (such as serious adverse consequences to investors, creditors, employees, auditor, group auditor or the public), we may be required to disclose the matter to an appropriate authority.

### **18. Conflicts of interest**

We will inform you if we become aware of any conflict of interest in our relationship with you (including between the various persons this engagement letter covers) or in our relationship with you and another client. Where conflicts are identified which cannot be managed in a way that protects your interests then we will be unable to provide further services to some or all of the persons to whom this engagement applies. If this arises, we will inform you promptly. We may act for other clients whose interests are not the same as or are adverse to yours, subject to the obligations of conflicts of interest and confidentiality referred to above.

### **19. Client monies**

We maintain a trust account for dealing with client monies on their behalf. We can only accept money into our trust account on your behalf if you have provided us with a written trust account authority letter which details the authority given to us in relation to that trust money.

### **20. Confidentiality**

We will take all reasonable steps to keep your information confidential, except where:

- we need to disclose your information to our service providers (including auditors of client monies if applicable) or regulatory bodies in performing the services, our professional advisers or insurers or as part of an external peer review from time to time. Our files may also be subject to review as part of the quality review program of Chartered Accountants Australia and New Zealand and Certified Practising Accountant Australia. By accepting this engagement, you acknowledge that, if requested, our files relating to this engagement will be made available under this program. We will take reasonable steps to ensure any such recipient (other than a regulatory body) keeps such information confidential on the same basis;
- we are required by law, regulation, a court of competent authority, or those professional obligations to disclose the information;
- we provide limited information (but only to the extent reasonably necessary) to potential purchasers (or their professional advisors) of our practice but we will take reasonable steps to ensure that any such recipient keeps the disclosed information confidential; or
- you give us permission to disclose the information.

We may retain your information during and after our engagement to comply with our legal requirements or as part of our regular IT back-up and archiving practices. We will continue to hold such information confidentially. We may mention that you are a client for promotional purposes.

## **21. Privacy**

You must make all necessary notifications and obtain any necessary consents for us to process personal information you provide to us. We collect and use that personal information for the purposes of providing the services described in the engagement letter to you and we will comply with the *Privacy Act 1988* (Cth) when processing that personal information. Our privacy policy provides further details of our privacy practices.

## **22. Ownership of intellectual property**

We own the copyright and all other intellectual property rights in everything we create in connection with this engagement. Unless we agree otherwise, anything we create in connection with this agreement may be used by you only for the purpose for which you have engaged us.

## **23. Limitation of liability**

Our liability is limited by a scheme approved under Professional Standards Legislation.

You agree not to bring any claim against any of our principals, partners, directors, shareholders or employees in their personal capacity.

To the maximum extent permitted by law, we are not liable to you for:

- indirect, special or consequential losses or damages of any kind; or
- liability arising due to the acts or omissions of any other person or circumstances outside our reasonable control, or your breach of these terms.

Our liability is limited to the proportion of loss or damage that a court determines we are responsible for, having regard to the contribution of any other person or entity.

We are not responsible for losses arising from cybercrime, hacking, phishing or payment redirection fraud. Clients must verify bank account changes by telephone.

Any claim must be commenced within 2 years of the date of service to which the claim relates.

## **24. Limitation of third party rights**

Our advice and information is for your sole use, and we accept no responsibility to any third party, unless we have expressly agreed in the engagement letter that a specified third party may rely on our work.

## **25. Termination**

Each of us may terminate this agreement by giving not less than 21 days' notice in writing to the other party except where a conflict of interest has arisen, you fail to cooperate with us or we have reason to believe that you have provided us or any other person with misleading or factually inaccurate information, in which case we may terminate this agreement immediately. Termination will not affect any accrued rights.

## **26. Communication**

You must advise of any changes to your contact details. We may send any communications to the last contact details you have provided. Unless you instruct us otherwise, we may, where appropriate, communicate with you and with third parties via email or by other electronic means. The recipient is responsible for virus checking emails and any attachments. There is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties in any form of communication, whether electronic, postal or otherwise. We are not responsible for any such matters beyond our control.

## **27. Applicable Law**

Our engagement is governed by Victorian State law. The courts sitting in Victoria will have non-exclusive jurisdiction in relation to any dispute between us.

## **28. Interpretation**

If any provision of the engagement letter or these terms is void, that provision will be severed, and the remainder will continue to apply. If there is any conflict or inconsistency between the engagement letter and these terms, these terms prevail and apply to the engagement.

## **29. Disputes and complaints**

If you have any concerns about our costs or services, please speak to the person responsible for this engagement, who is identified in our engagement letter. To resolve your concerns, we have policies and procedures in place to deal appropriately with complaints and will use best endeavours to resolve a complaint or dispute to the mutual satisfaction of the parties involved. We may require you to detail your complaint in writing to allow us to fully investigate any concerns that you raise.

## **30. Third party responsibilities**

We may utilise outsourced service providers and cloud computing service providers to perform the services. We may provide these third parties with access to your data to the extent this is required to perform the services. Your data will be stored in servers physically located in Australia (unless otherwise specified) and in accordance with the security practices of the third party service provider and our Privacy Policy.

## **31. Consumer Data Rights**

You may consent for an Accredited Data Recipient under the Consumer Data Right (CDR) to disclose your CDR data to us. You may nominate us as your Trusted Adviser for this purpose. As your Trusted Adviser, we will only access the data necessary to provide the services in this engagement letter.

## **32. Tax Agent Disclosure (Tax agent Services (Code of Professional Conduct))**

Information we are required to disclose to you:

As a Tax Agent, our work for you is performed in accordance with the Tax Agent Services Act 2009. Under this Act, the Tax Agent Services (Code of Professional Conduct Determination 2024) requires that we make the following disclosures to you:

**A.** Matters that could significantly influence your decision to engage us (or continue to engage us) for a Tax Agent Service from 1 July 2022 onward include the following:

- Non-Applicable

**B.** The Tax Practitioner's Board maintains a register of Tax Agents and BAS Agents. You can access and search this register here: <https://www.tpb.gov.au/public-register> and the TPB Factsheet "[Information for Clients](#)"

**C.** If you have a complaint about our Tax Agent services, please refer to our Tax Agent Disclosure and complaint process on our website <https://www.rjsanderson.com.au/legal/tax-agent-disclosure>.

For details of other information which we consider may be relevant to your decision to engage us to provide relevant services, please visit <https://www.rjsanderson.com.au/>