

Agreement for the provision of Services

CONTENTS

1	DEFINITIONS AND INTERPRETATION.....	1
2	TERM	3
3	SERVICES	3
4	STANDARD OF SERVICES.....	4
5	FEES & EXPENSES	4
6	INSURANCE.....	4
7	INFORMATION AND ACCESS	4
8	RELEASES, INDEMNITIES AND LIMITATION OF LIABILITY	5
9	PROFESSIONAL STANDARDS SCHEME - LIMITATION OF LIABILITY.....	5
10	PRIVACY.....	6
11	CONFIDENTIAL INFORMATION	7
12	INTELLECTUAL PROPERTY RIGHTS	8
13	OWNERSHIP OF DOCUMENTS.....	8
14	TERMINATION	8
15	COMPLAINTS.....	9
16	DISPUTE RESOLUTION.....	10
17	MISCELLANEOUS.....	10
	SCHEDULE 1.....	15
	SCHEDULE 2 - SCOPE OF SERVICES TO BE PROVIDED.....	17
	SCHEDULE 3 - FEES AND EXPENSES	18
	SCHEDULE 4 - LIMITATION OF LIABILITY	19
	SCHEDULE 5 - INDEMNITY.....	20
	Appendix 1 - Audit	
	Appendix 2 - Business Activity Statements (BAS) Audit	
	Appendix 3 - Bookeeper	
	Appendix 4 - Preparation of Financial Reports	
	Appendix 5 - Self Managed Super Funds (SMSF) Audit	
	Appendix 6 - Tax Agent	
	Appendix 7 - Tax Return	

BACKGROUND

- A The Accountant carries on the business of providing accounting services.
- B The Client desires to obtain the Services from the Accountant.
- C The Client agrees to engage the Accountant as an independent contractor to perform the Services, and the Accountant hereby agrees to provide the Services to the Client, subject to the terms and conditions in this Agreement.
- D This Agreement revokes, replaces and supersedes all previous written proposals, quotations or submissions provided by the Accountant to the Client regarding the Services.

AGREED TERMS

1 DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this Agreement the following definitions apply:

Accountant means the accountant as specified in **Schedule 1**, including its directors, agents, employees, consultants, sub-consultants, sub-contractors and/or related legal entities.

Agreement means this retainer agreement.

Australian Privacy Principles means the principles set out in **Schedule 1** of the *Privacy Act 1988* (Cth).

Client means the client as specified in **Schedule 1**.

Confidential Information in relation to a party, means any technical, scientific, commercial, financial or other information of, about or in any way related to, the party, the Services or this Agreement, including any information designated by a party as confidential, which is disclosed, made available, communicated or delivered to the other party in connection with this Agreement, but excludes information which:

- (a) is in or which subsequently enters the public domain (and confidential information will not be deemed to be in the public domain merely because it relates to other information which may be in the public domain) other than as a result of a breach of an obligation of confidentiality;
- (b) a party can demonstrate was in its possession before the date of this Agreement;
- (c) a party can demonstrate was developed by it independently of any disclosures previously made by the other party;
- (d) is lawfully obtained by a party on a non-confidential basis from a person who is not bound by a confidentiality agreement with the other party or otherwise prohibited from disclosing the information to that party; or
- (e) is required to be disclosed pursuant to law or court order.

Commencement Date means the date this Agreement is last signed by the parties.

Consequential Loss means any loss which is indirect, consequential, special, punitive, exemplary or incidental, including any loss of profit, revenue, anticipated savings or business opportunity, loss or corruption of data or systems, or damage to goodwill however caused or arising as a result of the Services or otherwise in connection with this Agreement.

Engagement Letter means the letter addressed to the Client outlining, among other things, the term, timetable and Fee estimate.

Fees means the amount payable by the Client under this Agreement for the Services described in **Schedules 2 and 3**.

Insolvency Event means a receiver or receiver and manager or administrator or other controller or trustee in bankruptcy being appointed to all or any part of the assets or undertaking of a party, or a party entering into a scheme of arrangement with its creditors or any class of them or indicating its intention to do so.

IPA means The Institute of Public Accountants.

Intellectual Property Rights means all present and future rights in relation to copyright, trademarks, designs, patents, semiconductor and circuit layout rights, trade, business, company and domain names, confidential and other proprietary rights, and any other rights to registration of such rights whether created before or after the date of this Agreement, and whether in Australia or otherwise.

Moral Rights has the meaning given to that term in the *Copyright Act 1968* (Cth) and includes a right of a similar nature that is conferrable by statute, and that exists or comes into existence anywhere in the world.

Parties means the Client and the Accountant as specified in **Schedule 1**.

Personal Information has the meaning given to that term in the *Privacy Act 1988* (Cth).

Personnel of a party includes the officers, employees, agents, sub-contractors and Key Personnel of that party.

Services means the services to be provided by the Accountant under this Agreement as described in **Schedule 2**.

Term is defined in the Engagement Letter.

Interpretation

- 1.2 In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:
- 1.2.1 a reference to 'dollars' or '\$' means Australian dollars and all amounts payable under this Agreement are payable in Australian dollars;
 - 1.2.2 an expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency;
 - 1.2.3 where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning;

- 1.2.4 a word which indicates the singular also indicates the plural, a word which indicates the plural also indicates the singular, and a reference to any gender also indicates any other genders;
- 1.2.5 a reference to a party, clause, part, schedule, annexure or attachment is a reference to a party, clause, part, schedule, annexure or attachment of or to this Agreement;
- 1.2.6 a reference to any document or Agreement is to that document or Agreement as amended, novated, supplemented or replaced;
- 1.2.7 the schedules, annexures and attachments form part of this Agreement;
- 1.2.8 headings are inserted for convenience only and do not affect the interpretation of this Agreement; and
- 1.2.9 a reference to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision, in either case whether before, on or after the date of this Agreement.

2 TERM

- 2.1 This Agreement commences on the Commencement Date and continues for the Term, as specified in **Schedule 1**, unless terminated earlier in accordance with this Agreement.

3 SERVICES

- 3.1 The Accountant will provide the Services set out in **Schedule 2** of this Agreement, in accordance with the terms and conditions specified in this Agreement throughout the Term.
- 3.2 Either of the parties may request changes in writing to the scope of Services as set out in **Schedule 2**. Both parties must agree in writing to any variation to the scope of Services and the Fees. In the absence of such agreement, the Services must be performed without any variation.
- 3.3 The extent of the Accountant's services will be limited exclusively for the purpose of carrying out the Services. As a result, no audit or review will be performed and, accordingly, no assurance will be expressed. This engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may exist. However, the Accountant will inform the Client of any such matters that come to their attention.
- 3.4 Any reports prepared as a part of the Services (including Financial Statements, Income Tax Returns and Audit Reports) will be prepared for distribution to the specific organisation, client or entity for the purpose specified in the report. There is no assumption of responsibility for any reliance on our report by any person or entity other than you and those parties indicated in the report. The report shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, our report may include a disclaimer to this effect.

4 STANDARD OF SERVICES

- 4.1 The Accountant agrees to provide the Services:
 - 4.1.1 with the professional competence and due care expected of a service provider experienced in providing the same or similar services; and
 - 4.1.2 in compliance with all relevant legislation and applicable standards governing our professional conduct, such as the *Corporations Act 2001* (Cth).
- 4.2 The Client shall be responsible for determining that the scope of the Services is appropriate and adequate for its needs.
- 4.3 As a member of the IPA, the Accountant is subject to the ethical and professional requirements of the IPA and its investigations and disciplinary processes. These requirements cover issues such as a code of ethics, adherence to accounting and auditing standards, requirements to undertake continued professional development and to hold trust money in a trust account.
- 4.4 If the Client does not believe that the Accountant is complying with its ethical or professional obligations, it may refer the matter to the IPA for investigation.

5 FEES & EXPENSES

- 5.1 The Client shall pay to the Accountant all professional fees and specific expenses in connection with the Services as set out in **Schedules 2 and 3** of this Agreement.
- 5.2 If the Accountant is required to provide information about the Client or the Services to comply with a statutory obligation, court order or other compulsory process, the Client agrees to pay all of the Accountant's reasonable costs and expenses which are incurred in doing so.

6 INSURANCE

- 6.1 As a member of the IPA, the Accountant is obliged to hold current professional indemnity insurance that complies with the IPA's requirements.

7 INFORMATION AND ACCESS

- 7.1 The Client is required by law to keep full and accurate records relating to its business and tax affairs. The Client acknowledges that it complies with all relevant legislation and applicable standards, such as the *Fair Work Act 2009* (Cth).
- 7.2 The Client has an obligation to provide the Accountant with all information that would be reasonably expected to allow the Accountant to perform the Services.
- 7.3 Inaccurate, incomplete or late information may have a material effect on the Services provided by the Accountant.
- 7.4 The Client agrees to provide in a timely fashion all information, documents and access reasonably required to enable the Accountant to provide the Services. Such documents, information and access may include, without limitation, files, records,

accounts, data, access to the Client's information technology systems and management and other staff or third party service providers where relevant.

- 7.5 Unless otherwise stated in this Agreement, the Accountant will not independently verify the accuracy of such information and documents. The Client is responsible for ensuring the accuracy of any information or documentation provided to the Accountant.
- 7.6 The Accountant will not be liable for any loss or damage (including direct, indirect or consequential loss) arising from any inaccuracy or other defect in any information or documents supplied by the Client.
- 7.7 The Client agrees to promptly notify the Accountant if, after providing information or documentation to the Accountant, the Client becomes aware that the information or documentation contains untrue, inaccurate or misleading content.
- 7.8 The Accountant will not be liable for any late lodgement penalties incurred unless the Accountant is solely responsible for the late lodgement of the documentation.

8 RELEASES, INDEMNITIES AND LIMITATION OF LIABILITY

- 8.1 The Accountant and the Client agree that the liability of the Accountant is limited to the extent specified in **Schedule 4**.
- 8.2 The Accountant and the Client agree that the Client will indemnify the Accountant to the extent specified in **Schedule 5**.
- 8.3 The Accountant will not be liable for any Consequential Loss or damage or loss of profits claimed which relates in any way to the Services, or any work done in connection with the Services.
- 8.4 The releases, indemnities and limitations of liability in this Agreement will not apply to conduct by the Accountant which is fraudulent and / or wilfully dishonest and / or prohibited by Australian statute.
- 8.5 No act or omission of the Accountant will be considered gross negligence, wilful default, wilful misconduct, fraud, dishonesty or breach of duty to the extent to which the act or omission was caused or contributed to by any failure by any other person (who is not within the reasonable control of the Accountant) to fulfil its obligations relating to the Agreement or by any other act or omission of any other person (who is not within the reasonable control of the Accountant).
- 8.6 To the extent that the indemnity in this Clause 8 refers to persons other than the Accountant, the Accountant holds this clause on trust for those other persons.
- 8.7 If any indemnity payment is made by the Client under this Clause 8, the Client must also pay to the Indemnified Party an additional amount equal to any tax which is payable by the Indemnified Party in respect of that indemnity payment.

9 PROFESSIONAL STANDARDS SCHEME - LIMITATION OF LIABILITY

- 9.1 The Accountant is a practicing member of the IPA and is covered under the IPA Professional Standards Scheme (**Scheme**). Under the Scheme, any civil liability of the Accountant (including its employees, directors and partners) for damages arising

out the provision of the Services will be limited to \$2,000,000. For more information on the IPA Professional Standards Scheme or Professional Standards Schemes generally, please refer to: www.psc.gov.au.

- 9.2 A copy of the IPA Scheme is available on the website of the IPA at <https://www.publicaccountants.org.au/membership/ppc/professional-standards-scheme>.
- 9.3 Should for any reason, the releases, indemnities and limitation of liability in Clauses 8 and 9 not be held to be applicable, the liability of the Accountant or any of its directors, agents or employees, howsoever arising, that it in anyway relates to the provision of the Services done in connection with this Agreement, whether under the law of contract, tort, the Australian Consumer Law or otherwise, shall be limited to the amount of insurance available to the Accountant pursuant to the minimum insurance standards prescribed by IPA limited pursuant to the Scheme.

10 PRIVACY

- 10.1 The Accountant will be bound by the Australian Privacy Principles (**APPs**) when collecting, using and disclosing the Client's Personal Information in connection with this Agreement.
- 10.2 The Client's Personal Information will be collected and used by the Accountant for the sole purpose of providing the Services to the Client. The Accountant will not use the Client's Personal Information for any other purpose without the Client's consent.
- 10.3 The Accountant may be required to disclose the Client's Personal Information to third parties in order to perform the Services, such as the Australian Tax Office. The Accountant will only provide the Client's Personal Information to third parties to the extent necessary to perform the Services.
- 10.4 The Client's Personal Information will be stored in Australia and will not be transferred or made available to entities outside of Australia without first notifying the Client.
- 10.5 At times we may outsource some of our work which involves us entering into an agreement with a third party to provide specific processes, functions, services or activities for us. If we decide to do this as part of performing the services for you, we will contact you first to seek your approval to engage other parties.

[Include the following paragraph only if you have outsourcing arrangements relevant to the client:]

- 10.6 We have outsourcing arrangements with <insert name of third party> in <insert location of third party> whom we engage from time to time to assist us. The nature and extent of the service we utilise are <insert relevant activities>.

[Include the following paragraph only if you use cloud computing services relevant to the client:]

- 10.7 In providing our services to you, we utilise cloud computing systems provided by <insert name of provider> which is based in <insert location of provider>. <Insert details of how confidential information of clients are stored – this could be by way of reference to a separate document or information on your website.>

- 10.8 The Accountant will retain the Client's Personal Information for as long as is necessary to provide the Services or as required by applicable law. After this time, the Accountant will destroy the Client's Personal Information.
- 10.9 The Accountant will notify the Client in writing of any breach of the Client's Personal Information.
- 10.10 The Client agrees that it:
 - 10.10.1 is entitled to disclose any Personal Information that it provides to the Accountant under this Agreement; and
 - 10.10.2 will assist the Accountant to comply with its obligations under the APPs, to the extent possible.
- 10.11 As a member of the IPA, the Accountant is subject to the IPA's Quality Review Program (QRP) mandated by the International Federation of Accountants. By accepting this Engagement, the Client consents to the Accountant's files relating to this engagement being made available for the QRP. Should this occur, the Client will be advised. Any such review will be of client records and not of you as a client.

11 CONFIDENTIAL INFORMATION

- 11.1 Both parties will (and must ensure that their Personnel and advisers will) take reasonable steps to maintain the confidentiality of any Confidential Information of the other party.
- 11.2 Subject to Clause 11.3, the Accountant agrees only to use and reproduce the Client's Confidential Information only to the extent necessary to perform its obligations under this Agreement.
- 11.3 The Accountant may disclose the Confidential Information:
 - 11.3.1 to its legal advisors, auditors and other advisors to the extent they require this information to provide advice to the Accountant; or
 - 11.3.2 if required to do so by law, court order, a House of Parliament or a Committee of a House of Parliament.
- 11.4 If the Client wishes to provide third parties with copies of the Accountant's reports, letters, information or advice, the Client must first obtain written permission from the Accountant to disclose the documentation or information.
- 11.5 The Accountant reserves the right to:
 - 11.5.1 set the terms upon which those copies are given or used by the Client or by a third party; or
 - 11.5.2 require the third party and any employees or contractors of the third party to enter into a confidentiality agreement.
- 11.6 The Accountant is bound by the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, and pursuant to the Responding to Non-Compliance with Laws and Regulations (**NOCLAR**), the Accountant is required to report any non-compliance with laws and regulations or acts of omission or

commission, intentional or unintentional by a client or by those charged with governance, by management or by other individuals working for or under the direction of a client which are contrary to the prevailing laws or regulations.

- 11.7 Pursuant to Clause 11.6, if the Accountant decides that a disclosure under NOCLAR is required (to the appropriate authority), then such a disclosure will not be considered a breach of confidentiality under this Clause 11.

12 INTELLECTUAL PROPERTY RIGHTS

- 12.1 The Accountant may use or develop software, including spreadsheets, databases and other electronic tools (**IP Tools**) in providing the Services.
- 12.2 If the Accountant provides these IP Tools to the Client, the Client acknowledges that, except where these IP Tools are a specific deliverable under this Agreement and where ownership passes to the Client on payment of the Fees due to the Accountant, they are not the Client's property, were developed for the Accountant's purposes and without consideration of any purpose for which the Client might use them, are made available on an "as is" basis for the Client's use only and must not be distributed to or shared with any third party.
- 12.3 The Accountant makes no representations or warranties as to the sufficiency or appropriateness of the IP Tools for any purpose for which the Client or a third party may use them. Any IP Tools developed specifically for the Client will be covered under a separate agreement.
- 12.4 All copyright and other Intellectual Property Rights in all materials and IP Tools (including working papers), data, designs, models, methodologies, analysis frameworks, practices, ideas, concepts and techniques brought under this Agreement or created in the course of the performance of the Services of the Accountant shall vest in the Accountant.

13 OWNERSHIP OF DOCUMENTS

- 13.1 All original documents obtained from you during the provision of the Services shall remain your property. However, we reserve the right to make a reasonable number of copies of the original documents for our records.
- 13.2 The Services will result in the production of output documents, such as financial statements and tax returns. Any such documents which we have been specifically engaged to prepare shall vest in you.
- 13.3 All other documents produced by us in respect of the Services, for example, general journals, general ledgers or draft documents, will remain our property. However, subject to Clause 14.5, we may provide you with copies of any documents.

14 TERMINATION

- 14.1 Either party may at any time, with at least 30 days' written notice to the other party, terminate this Agreement without cause, in which case the Client will be liable to pay the Accountant for all Services provided up to the effective date of termination.

- 14.2 The Accountant may terminate this Agreement immediately upon written notice to the Client, if:
- 14.2.1 the Client breaches any obligation under this Agreement which is capable of remedy, and does not remedy that breach within 14 days of receipt of a notice from the Accountant specifying the breach and requiring it to be remedied;
 - 14.2.2 the Client commits a breach of this Agreement which is incapable of remedy;
 - 14.2.3 the Client does anything that materially damages or is likely to materially damage the brand or reputation of the Accountant;
 - 14.2.4 the Client commits any act of fraud or dishonesty in relation to this Agreement; or
 - 14.2.5 an Insolvency Event occurs in relation to the Client.
- 14.3 The Client may terminate this Agreement immediately upon written notice to Accountant, if:
- 14.3.1 the Accountant commits a material breach of an obligation of this Agreement and does not remedy that breach within 14 days of receipt of a notice from the Client specifying the breach and requiring the breach to be remedied; or
 - 14.3.2 an Insolvency Event occurs in relation to the Accountant.

Consequences of termination

- 14.4 As soon as practicable after expiry or termination of this Agreement, the parties must:
- 14.4.1 return all equipment, records, documents and materials provided by the other party for the purposes of this Agreement; and
 - 14.4.2 return to the other party all copies of all Confidential Information in its possession or control obtained during the term of this Agreement.
- 14.5 In the event of the termination of Services, the Accountant may, in its absolute discretion, invoke a lien over certain documents held until outstanding Fees have been paid or other satisfactory agreements made in writing. A lien is a right to hold certain documents or property until the debt incurred in respect of that property/document has been satisfied. The lien, however, may not be held over property that belongs to another, including if held jointly, and does not cover statutory documents (including (but not limited to) a tax return, business activity statement or refund cheque). The Accountant will provide the Client with a copy of all documents subject to a claim of lien. For more information refer to the Tax Practitioners Board Information Sheet TPB (I) 02/2011 (available at <https://www.tpb.gov.au/claiming-lien-over-client-property-tpb-information-sheet-tpbi-022011>).

15 COMPLAINTS

- 15.1 If for any reason you feel you have not received an level of acceptable service, please in the first instance contact the Accountant to discuss.
- 15.2 Furthermore, as members of the IPA, the Accountant is subject to the ethical and professional requirements of the IPA and its investigations and disciplinary processes.

Should there be an issue regarding the Accountant's ethical or business practices, the matter may be referred to the IPA for investigation.

- 15.3 The Client agrees that any complaints relating to the Services or this Agreement will be dealt with in accordance with the IPA's complaint's process. For more information please visit the IPA's complaints webpage, available at:
<https://www.publicaccountants.org.au/about-us/complaint-investigation-member-disciplinary-action>.

16 DISPUTE RESOLUTION

- 16.1 If there is a dispute relating to the Services or this Agreement (**Dispute**), the parties will first meet to discuss the Dispute in good faith with a view to resolving the Dispute.
- 16.2 If the Dispute is unable to be resolved between the parties, it will be referred to mediation (**Mediation**).
- 16.3 The Mediation will be conducted by the Australian Disputes Centre (**ADC**) in accordance with the ADC mediation guidelines (**Guidelines**).
- 16.4 The mediator will be selected by mutual agreement. If the parties are unable to reach agreement on a mediator within three business days of the date that the Dispute was referred to Mediation (or such other time frame agreed between the parties), the mediator will be selected in the manner specified in the Guidelines.
- 16.5 Any breach of the Guidelines will constitute a breach of this Agreement.
- 16.6 If the parties fail to settle the Dispute at the Mediation, the parties may agree to submit the Dispute for determination at arbitration under the Rules of Arbitration of the Institute of Arbitrators and Mediators Australia by one or more arbitrators appointed in accordance with those rules. The parties acknowledge that any determination made at arbitration will be final and binding.
- 16.7 If the parties do not agree to refer the Dispute to arbitration, either party may submit the Dispute for resolution to the non-exclusive jurisdiction of the Courts of Victoria, Australia.

17 MISCELLANEOUS

Entire Agreement

- 17.1 This Agreement and the Engagement Letter contain everything the parties have agreed in relation to the subject matter it deals with. No party can rely on an earlier written document or anything said or done by or on behalf of another party before the Engagement Letter was received and this Agreement was executed.

Governing law and jurisdiction

- 17.2 All aspects of the Services and this Agreement are governed by, and construed in accordance with, the laws applicable in the State or Territory in which the Services have been provided, as set out in **Schedule 1**, and the Parties irrevocably agree to submit to this jurisdiction.

Tax practitioners obligation to comply with the law

- 17.3 The Accountant has a duty to act in the Client's best interests. However, the duty to act in the Client's best interests is subject to an overriding obligation to comply with the law, even if that may require the Accountant to act in a manner that may be contrary to the Client's directions. For example, the Accountant could not lodge an income tax return that the Accountant believes to be false.

Severability

- 17.4 Each provision of this Agreement is individually severable. If any provision is or becomes illegal, unenforceable or invalid in any jurisdiction it is to be treated as being severed from this Agreement in the relevant jurisdiction, but the rest of this Agreement will not be affected. The legality, validity and enforceability of the provision in any other jurisdiction will not be affected.

Assignment and Novation

- 17.5 Neither party shall assign the whole or part of this Services Agreement without the prior written approval of the other.
- 17.6 Where the Accountant proposes to enter into an arrangement that will require novation of this Agreement, it shall consult with the Client prior to the proposed novation.

Variation

- 17.7 No variation of this Agreement will be of any force or effect unless it is in writing and signed by each party to this Agreement.



EXECUTION

Executed as an Agreement.

ACCOUNTANT [delete the execution block not applicable]

Signed by [insert name] in the presence of:

.....
Signature of witness

.....
Signature of [insert name]

.....
Name of witness (print)

.....
Date

Executed by [name of corporation] [ACN] acting by the
following persons or, if the seal is affixed, witnessed by the
following persons in accordance with s127 of the *Corporations
Act 2001*:

.....
Signature of director

.....
Signature of director/company secretary

.....
Name of director (print)

.....
Name of director/company secretary (print)

.....
Date

Executed by [name of corporation] ACN [xxx-xxx-xxx] acting
by the following person or, if the seal is affixed, witnessed by the
following person in accordance with s127 of the *Corporations
Act 2001*:

.....
Signature of sole director and sole company secretary

.....
Name (print)

.....
Date



CLIENT [delete the execution block not applicable]

Signed by [insert name] in the presence of:

.....
Signature of witness

.....
Signature of [insert name]

.....
Name of witness (print)

.....
Date

Executed by [name of corporation] ACN [xxx-xxx-xxx] acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act 2001*:

.....
Signature of director

.....
Signature of director/company secretary

.....
Name of director (print)

.....
Name of director/company secretary (print)

.....
Date



CLIENT [delete the execution block not applicable]

Signed by [insert name] in the presence of:

.....
Signature of witness

.....
Signature of [insert name]

.....
Name of witness (print)

.....
Date

Executed by [name of corporation] ACN [xxx-xxx-xxx] acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act* 2001:

.....
Signature of director

.....
Signature of director/company secretary

.....
Name of director (print)

.....
Name of director/company secretary (print)

.....
Date

SCHEDULE 1

This Schedule shall be completed and issued, and subject to any amendments to be incorporated into, and shall be read as part of the Agreement.

Item 1	Date of Contract		
Item 2	Term		
Item 3	Client	Name:	
		ABN:	
		ACN:	
		Email:	
		Address:	
	Client	Name:	
		ABN:	
		ACN:	
		Email:	
		Address:	
Item 4	Accountant	Name:	
		ABN:	
		ACN:	
		Email:	
		Address:	

Item 5	Applicable Laws (Clause 17.2)	<p>The Accountant must comply with all Laws, including any which may be listed here for information purposes due to their particular relevance to the Services:</p> <p>The Laws of the following State or Territory will apply to this Agreement:</p> <p><input type="checkbox"/> Victoria</p> <p><input type="checkbox"/> New South Wales</p> <p><input type="checkbox"/> Queensland</p> <p><input type="checkbox"/> Western Australia</p> <p><input type="checkbox"/> South Australia</p> <p><input type="checkbox"/> Tasmania</p> <p><input type="checkbox"/> Northern Territory</p>
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SCHEDULE 2 - SCOPE OF SERVICES TO BE PROVIDED

Item 1	Services	<p>[Tick appropriate boxes - for Services to be provided]</p> <p><input type="checkbox"/> Audit (Appendix 1)</p> <p><input type="checkbox"/> Business Activity Statements (BAS) Audit (Appendix 2)</p> <p><input type="checkbox"/> Bookkeeper(Appendix 3)</p> <p><input type="checkbox"/> Preparation Of Financial Reports (Appendix 4)</p> <p><input type="checkbox"/> Self-Managed Super Fund (SMSF) audit (Appendix 5)</p> <p><input type="checkbox"/> Tax Agent (Appendix 6)</p> <p><input type="checkbox"/> Tax Return (Appendix 7)</p> <p>Appendices 1 to 7 of this Agreement contain further terms and conditions which relate to the specific Services to be provided. When the appropriate box above is ticked, only the corresponding Appendix will form part of this Agreement.</p>
Item 2	Work program	<p>[Describe the applicable Milestones and Milestone Dates by which those Milestones must be achieved. Describe the delivery dates required for Deliverables]</p>
Item 3	Fee for Services	<p>1.1 The applicable hourly rates are:</p> <p>1.1.1 Principal AUD\$ [amount] per hour.</p> <p>1.1.2 Accountant AUD\$ [amount] per hour.</p> <p>1.1.3 Secretarial AUD\$ [amount] per hour.</p> <p>Schedule 3 contains further terms and conditions with respect to Fees and Expenses.</p>
Item 4	Expenses and Disbursements	<p><input type="checkbox"/> The Accountant may recover expenses and/or disbursements in relation to the Services</p> <p>[Tick above if the Supplier may recover expenses and/or disbursements in relation to the Services]</p> <p>If the box above is ticked, the Accountant may recover expenses and/or disbursements in relation to the Services in accordance with the requirements set out in Schedule 3.</p> <p><input type="checkbox"/> The Accountant may not recover expenses and/or disbursements in relation to the Services</p>

SCHEDULE 3 - FEES AND EXPENSES

1 FEES

- 1.1 Fees are made up of both professional fees and expenses. Unless the parties specifically agree otherwise in writing, the Accountant will charge the Client on a time-costing basis. This means that the Accountant's professional fees for providing the Services will be calculated by applying the agreed hourly rates of the Accountant's professional staff to all the amount of time recorded by them for their work.
- 1.2 For work undertaken for periods of less than an hour, the rate shall be charged in 6 minute blocks or part thereof.

2 EXPENSES

- 2.1 All professional fees are exclusive of expenses and disbursements unless this Agreement states otherwise.
- 2.2 The Client agrees to pay the Accountants' reasonable travel, accommodation and document handling costs (such as photocopying, scanning and imaging, printing, fax and courier) incurred in connection with the Services.

3 PAYMENT OF INVOICES

- 3.1 Tax invoices will be issued on a monthly basis or as otherwise agreed between the parties in writing. The Accountant reserves the right to issue tax invoices at more or less frequent intervals.
- 3.2 All tax invoices will be rendered with relevant client details and a summary of services performed and the time period over which the services have been performed.
- 3.3 The Accountant retains the right to charge interest on tax invoices which are not paid by the due date. Interest will be calculated compounded daily at a rate of 6% above the prevailing Reserve Bank of Australia official cash rate.
- 3.4 The Accountant reserves the right to recover all default costs and enforcement expenses in the event tax invoices are not paid by the Client by the due date and recovery action is necessary.

SCHEDULE 4 - LIMITATION OF LIABILITY

This Schedule shall be completed and issued, and subject to any amendments to be incorporated into, and shall be read as part of the Agreement.

☐ **Liability limited in accordance with the Scheme as set out in the Agreement**

☐ **Liability limited to the Fees for the Services**

The Client agrees that the liability of the Accountant or any of its directors, agents or employees, however arising, which related in any way to the Services, or work done in connection with the Services, whether under the law of contract, tort or otherwise, shall be limited to a refund of the Fees charged for the Services.

Note: Only one box may be selected. Tick appropriate box, strike out alternative boxes

SCHEDULE 5 - INDEMNITY

This Schedule shall be completed and issued, and subject to any amendments to be incorporated into, and shall be read as part of the Agreement.

Note: Only one box may be selected. Tick appropriate box, strike out alternative boxes

☐ **Client's liability to indemnify the Accountant limited to the extent already provided for in the Agreement**

☐ **Indemnity for third party claims**

The Client will indemnify and hold the Accountant, or any of its directors, agents or employees, harmless for all claims, costs, suits and demands by third parties which relates in any way to:

- (a) any claims, costs, suits and demands by any third party including (but not limited to) financiers, and / or shareholders and / or investors who allege they have relied on the Services in breach of this Agreement, or regulators such as the Fair Work Ombudsman;
- (b) any penalty, fine or interest incurred or payable by the Accountant in connection with or in consequence of any such claims, costs, suits and demands;
- (c) any breach of an obligation of confidence or privacy; or
- (d) any fraudulent or wilful misconduct that was caused or contributed to by any act or omission of the Client or any of the Client's personnel.

☐ **Full indemnity**

The Client releases, and will at all times hold harmless, the Accountant from all liability to the Client in respect of any loss, damage, costs and expenses of whatsoever kind (**Losses**) which have or may have or, but for the operation of this clause, might have had arising from or in any way connected with the Services or the use of the Services or any part of them. This release shall be complete and unconditional, except in the case of gross negligence or wilful misconduct by the Accountant in the provision of the Services in which case the Client's liability to indemnify the Accountant will be reduced to the extent that the Account's gross negligence or wilful misconduct contributed to the Losses.

APPENDIX 1

1 AUDIT [DELETE AS APPLICABLE]

Scope of Services

- 1.1 The Accountant agrees to provide the following Services to the Client in accordance with the Australian Auditing Standards:
 - 1.1.1 statement of financial position as at 30 June 20XX;
 - 1.1.2 statement of comprehensive income;
 - 1.1.3 statement of changes in equity;
 - 1.1.4 statement of cash flows for the year then end; and
 - 1.1.5 notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.
- 1.2 The Client will receive an audit report which is worded in accordance with the requirements of the professional standards. It explains the Accountant's assessment of what and how the Client has reported and gives their independent opinion on the financial statements.
- 1.3 The Australian Auditing Standards require the Accountant to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.
- 1.4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the Accountant's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.
- 1.5 An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.
- 1.6 Due to the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.
- 1.7 In making its risk assessments, the Accountant will consider internal controls relevant to the Client's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, the Accountant will communicate to the Client in writing concerning any significant deficiencies in internal control relevant to the audit of the financial report that the Accountant has identified during the audit.

- 1.8 The Accountant's audit will be conducted on the basis that management of the Client [and, where appropriate, those charged with governance] acknowledge and understand that they have responsibility.
- 1.8.1 for the preparation of the financial report that gives a true and fair view in accordance with the *Corporations Act 2001* (Cth) and Australian Accounting Standards. This includes confirming with the Accountant the relevant financial reporting framework chosen by those in charge of governance for the financial report of the entity;
 - 1.8.2 for such internal control as [management] determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error; and
 - 1.8.3 to provide the Accountant with:
 - 1.8.3.1 access to all information of which the those in charge of governance of the entity are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - 1.8.3.2 additional information that the Accountant may request from those in charge of governance of the Client for the purpose of the audit; and
 - 1.8.3.3 unrestricted access to persons within the entity from whom the Accountant determine it necessary to obtain audit evidence.
- 1.9 As part of the audit process, the Accountant will request from those charged with governance written confirmation concerning representations made in connection with the audit. The Accountant looks forward to full cooperation from the Client's staff during the audit.

Annual General Meetings (For audits pursuant to the *Corporations Act 2001* (Cth))

- 1.10 The *Corporations Act 2001* provides for shareholders to submit written questions to the auditor before an Annual General Meeting provided they relate to the auditor's report or the conduct of the audit.
- 1.11 To assist the Accountant in meeting this requirement, the Accountant requests the Client provide to the Accountant all written questions submitted by shareholders as soon as practicable after receipt and no later than 5 business days before the Annual General Meeting.

Audit Independence Statement

- 1.12 The Accountant declares that, to the best of its knowledge and belief, there have been no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit and no contraventions of any applicable code of professional conduct in relation to the audit.

APPENDIX 2

2 BUSINESS ACTIVITY STATEMENTS (BAS) AUDIT **[DELETE AS APPLICABLE]**

Scope of Services

- 2.1 The Accountant agrees to provide the following services to the Client:
- 2.1.1 analyse, discuss and make recommendations regarding the Client's bookkeeping requirements;
 - 2.1.2 liaise with the Client's tax agent on relevant issues; and
 - 2.1.3 prepare and lodge the Client's Business Activity Statement (**BAS**).
- 2.2 As BAS are prepared periodically and lodged during the financial year, it is not possible for the Accountant to review the correctness of the underlying financial information as part of the preparation of the quarterly/monthly BAS. This is because although the Accountant is usually engaged to prepare the annual financial statements, these are prepared at the conclusion of the financial year.
- 2.3 Therefore, for the BAS, the Accountant will rely on and process the financial information provided to them by the Client without further review of the primary source documents.
- 2.4 In doing that, we will make the following specific assumptions:
- 2.4.1 the financial information provided by the Client to the Accountant is accurate;
 - 2.4.2 the financial information correctly states the GST position;
 - 2.4.3 the Client has the necessary supporting documentation to satisfy the ATO for GST purposes; and
 - 2.4.4 the Client holds valid tax invoices and adjustment notes for all expenditure incurred by the Client in respect of which an input tax credit is being claimed.
- 2.5 The Accountant will not be responsible for any errors brought about by the Client's failure to provide information or documentation or the Client's failure to provide material that is later found to be material to the Client's BAS/bookkeeping requirements.
- 2.6 The Client responsible for the timely provision of information and the Accountant will not be responsible for any late lodgement or other fees and fines brought about by the Client's failure act in a timely manner.
- 2.7 The Accountant will not be responsible for any errors in the BAS other than those that can be shown to be the Accountant's fault.

Audit Independence Statement



- 2.8 The Accountant declares that, to the best of its knowledge and belief, there have been no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit and no contraventions of any applicable code of professional conduct in relation to the audit.

APPENDIX 3

1 BOOKKEEPER [DELETE AS APPLICABLE]

Scope of Services

- 1.1 The Accountant agrees to provide the bookkeeping services to the Client.
- 1.2 The Accountant is not engaged to provide tax advice. Only a registered tax agent (or Business Activity Statement (**BAS**) agent in relation to BAS tax matters) may provide such services for a fee.
- 1.3 Procedures to be performed will be limited exclusively to those related to the engagement. The Accountant has not been engaged to perform an audit nor a review and, accordingly, no assurance will be expressed. Unless otherwise agreed in writing, the engagement cannot be relied upon to disclose irregularities, including fraud, other illegal acts and errors that may occur.
- 1.4 The Accountant advises that the responsibility for policy matters in regard to business accounting operating system and internal controls rest with the Client, except where the Accountant has been engaged to provide such services. If any weaknesses in the accounting system or internal control systems come to the Accountant's attention, the Accountant will advise accordingly.
- 1.5 It is expected that the source documentation will be made available to the Accountant as and when required. The Accountant will not be responsible for any errors brought about by the Client's failure to provide information, documentation or material that is later found to be material to the Client's bookkeeping requirements.
- 1.6 The Client is responsible for the timely provision of information and the Accountant will not be responsible for any consequences brought about by the Client's failure act in a timely manner.

APPENDIX 4

1 PREPARATION OF FINANCIAL REPORTS [DELETE AS APPLICABLE]

1.1 The Accountant agrees to provide the following services to the Client:

1.1.1 Profit and Loss Statement;

1.1.2 Balance Sheet; and

1.1.3 Statement of Cash Flows.

1.2 To assist with the preparation of the financial accounts. It is also agreed that:

1.2.1 the financial accounts will be compiled in accordance with APES 315 - *Compilation of Financial Information*;

1.2.2 the preparation of the financial reports does not include an audit or review; meaning the work completed cannot be relied upon to locate errors or irregularities including fraud or other illegal practices which may exist in the data provided by the Client;

1.2.3 the engagement will be limited to procedures involving the collection, classification and summarisation of financial information and does not include verification or validation of any of the data;

1.2.4 the statement to be prepared will be a Special Purpose Financial Report (**SPFR**) and not a General Purpose Financial Report subject to the *Corporations Act 2001*; and

1.2.5 this Service includes maintenance of the charts of accounts for the general ledgers of the Client's business entities.

1.3 This Service does not include the preparation of one-off accounts for presentation to financiers. The Client may request this additional service in writing.

1.4 The Accountant is obliged to review the completed SPFR and will make a determination free from any 'misstatement'. A 'misstatement' will include the incorrect application of the agreed financial reporting framework, non-disclosure of the agreed financial reporting framework and non-disclosure of material matters of which the person is aware.

APPENDIX 5

1 SELF MANAGED SUPER FUND (SMSF) AUDIT [DELETE AS APPLICABLE]

In this clause the following definitions apply:

FSR Act means *Financial Services Reform Act 2001*.

Fund means [enter details]

SIS Act means *Superannuation Industry (Supervision) Act 1993*.

SISR means *Superannuation Industry (Supervision) Regulations 1994*.

- 1.1 The Accountant agrees to provide the following Services to the Client:
 - 1.1.1 audit the financial accounts and statements of the Fund;
 - 1.1.2 determine whether the Fund has complied with the SIS Act;
 - 1.1.3 ensure the Fund complies with the appropriate accounting and audit standards; and
 - 1.1.4 provide an audit report.
- 1.2 The Accountant has not been engaged to review the accuracy of any previous returns lodged by the Client or by a previous Tax Agent.
- 1.3 The Accountant has been engaged to conduct an audit of the Client's Fund. This audit will be conducted in accordance with Australian Auditing Standards for the purposes of the SIS Act and SISR.
- 1.4 The Accountant is required, as set out in Section 113 of the SIS Act, to present the trustee of the Fund with an audit certificate within 9 months of financial year end.
- 1.5 In addition to basic financial information, it is expected that source documentation will be made available by the Client to the Accountant to allow analysis of the implications of superannuation related transactions.
- 1.6 In forming an opinion on the financial statements, the Accountant will undertake appropriate testing to obtain reasonable assurance as to whether the:
 - 1.6.1 underlying accounting records are reliable and adequate as a means of preparing the financial statements; and
 - 1.6.2 Fund's financial position at balance date and the results for the year are properly disclosed in the financial statements.

- 1.7 It should be noted that, due to the inherent limitations and risks of any audit, there is an unavoidable risk that some material misstatement, fraud or irregularity may not be discovered in the audit.
- 1.8 The Client should note that all fund deeds should be reviewed annually by a superannuation specialist to ensure the deeds fully comply with the requirements of the SIS Act.
- 1.9 This engagement does not extend to the provision of legal advice and the Fees do not include this service. If so required, a legal practitioner can be recommended to the Client for the purposes of this task.
- 1.10 The Fees do not include financial planning services for the investments of the Fund, or any planning advice for the Client's future retirement. The FSR Act restricts the ability of non-licensed persons to provide financial advice, and any advice provided is strictly in accordance with the limitations applied by the law. As the Client's auditor, the Accountant cannot provide both audit services and investment advice, as this would breach auditor independence as set out in the Code.
- 1.11 This service does not cover any inquiries or investigations conducted by the Australian Taxation Office.
- 1.12 The Accountant disclaims any assumption of responsibility for any reliance placed on the report or the financial statements to which the report relates, to any person other than the members of the Fund, or for any purpose other than that for which the report is prepared.

Report on significant matters

- 1.13 The Accountant will also report any apparent material weaknesses in the Fund's accounting and internal controls.
- 1.14 The Accountant is obliged under sections 129 and 130 of the SIS Act to report certain breaches or contraventions of the SIS Act to the Australian Taxation Office and the trustees, and to report any concerns that the Fund is likely to be now or may be in the near future in an unsatisfactory financial position.

Audit Independence Statement

- 1.15 The Accountant declares that, to the best of its knowledge and belief, there have been no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit and no contraventions of any applicable code of professional conduct in relation to the audit.

Trustee responsibilities

- 1.16 SMSF trustees are ultimately responsible for the operation of their SMSF. There are a number of duties, responsibilities and obligations required of an SMSF trustee.
- 1.17 The SMSF trustee needs to comply with the superannuation and taxation laws for all contributions received by the Fund and benefits paid to members. SMSF trustees need to, among other things, keep updated SMSF records for the right amount of time and notify the



Australian Taxation Office of any important changes to the Fund and lodge the SMSF's annual return with the Australian Taxation Office.

APPENDIX 6

1 TAX AGENT [DELETE AS APPLICABLE]

- 1.1 The Accountant agrees to provide the following services to the Client:
 - 1.1.1 analyse, discuss and prepare recommendations regarding the Client's accounting records and financial affairs;
 - 1.1.2 prepare financial and other statements as requested in writing;
 - 1.1.3 prepare and lodge taxation returns, review assessments and advise on appeal procedures where necessary; and
 - 1.1.4 undertake other work as agreed in writing.
- 1.2 The Accountant does not (unless otherwise engaged to do so) undertake an audit or review, and as such no assurance will be expressed.
- 1.3 This engagement cannot be relied upon to detect or otherwise disclose irregularities (such as fraud, illegalities or the errors of other parties).

APPENDIX 7

1 TAX RETURN [DELETE AS APPLICABLE]

Scope of Services

- 1.1 The Accountant agrees to provide the following Services to the Client:
 - 1.1.1 analyse, discuss and make recommendations regarding the Client's tax return; and
 - 1.1.2 prepare and lodge the Client's annual tax return.
- 1.2 The Accountant has not been engaged to review the accuracy of any previous returns lodged by the Client or by a previous Tax Agent.
- 1.3 In addition to the financial information required to complete these tax returns, it is expected that all relevant source documentation will be made available by the Client to the Accountant.
- 1.4 The Client is responsible for compliance with the substantiation provisions of the *Income Tax Assessment Act*.
- 1.5 The Accountant will not be responsible for any errors brought about by the Client's failure to provide information or documentation later found to be material to the Client's tax affairs.
- 1.6 The Client is responsible for the timely provision of information and the Accountant will not be responsible for any late lodgement or other fees and fines brought about by the Accountant's failure to act in a timely manner.
- 1.7 Any refund is an estimate only and the Accountant is not responsible and will not accept liability if the Australian Taxation Office determines an outcome which is different than that lodged.

Client's rights and obligations under the taxation laws

- 1.8 Taxpayers have certain rights under Australian taxation laws, including the right to seek a private ruling from the Australian Taxation Office or to appeal or object against a decision made by the Commissioner. Taxpayers also have certain obligations under Australian taxation laws, such as the obligation to keep proper records and the obligation to lodge returns by the due date. The Accountant must keep the Client informed of any specific rights and obligations that may arise under Australian taxation laws.