

## Engagement Letter

Thank you for selecting us to conduct your professional accounting – taxation needs. We look forward to working with you.

We realise how important it is to understand your needs, so we have prepared the below Engagement Letter and our Terms & Conditions, to clarify the scope of work that you would like us to conduct and any other important parts to our Engagement. It is important that you read the Terms in full, before you Engage us, which you can do by signing this document and letting us know that you are happy to proceed.

### 1. Purpose of the Engagement

The purpose of this Engagement Letter (and Terms & Conditions) is to set out and confirm the scope of work and terms of engagement between our firm A I Clynk & Associates aka Maddington Tax Accountants (We/Us/Our) and you/your related entities (You/Your). This Engagement Letter has been aligned with the standards of APES 110 *Code of Ethics* and APES 220 *Taxation Services* and the *Code of Professional Conduct* pursuant to the *Tax Agent Services Act 2009*.

This letter confirms the terms of our engagement and the nature and limitations of the services we will provide you with. A I Clynk & Associates can be engaged to provide the following professional services (as requested by you), in accordance with applicable laws and professional standards. **The scope of the work performed will only include the work you have requested from us.** Some of the work we can provide you with is as follows: (please tick which services you require)

- ☐ Preparation and lodgement of any Tax Return (Company, Trust, Partnership, Individual, SMSF etc)
- ☐ Preparation of special purpose Financial Reports (Companies, Trusts and SMSF's)
- ☐ Review and assist in preparation of your BAS/GST, PAYGW and PAYGI obligations to the ATO, as necessary
- ☐ Preparation and lodgement of TPAR (Contractor) Reports
- ☐ Preparation of and lodgement of Payroll Tax obligations
- ☐ Preparation and lodgement of your FBT Return and any FBT Declarations
- ☐ Guidance to help you prepare and lodge your Single Touch Payroll (STP) for Employees
- ☐ Business advisory services
- ☐ Setup and ongoing assistance with Bookkeeping Software
- ☐ Tax planning advice
- ☐ ASIC and other compliance services
- ☐ Other taxation and accounting-related matters as required. (please list below)

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If there are no express (written) instructions, then our scope of work only includes the preparation of your Tax Return/s, any preparation of Company/Trust/SMSF Financial Reports and for us to check to see if your Activity Statements "seem" to have been lodged ok.

**NOTE:** Tax planning and any Tax advice is a separate service and is NOT included with your Tax Return preparation fee.

## 2. Our Responsibilities

We will perform our services as per:

- Australian Taxation Office (ATO) requirements
- The Corporations Act 2001, where applicable
- APES 110 Code of Ethics for Professional Accountants (including Independence Standards)
- APES 305 Terms of Engagement
- Tax Agent Services Act 2009 (TASA) and Code of Professional Conduct
- Any other applicable laws, regulations, and professional standards.

We will use reasonable care and skill in the performance of our duties. However, we do not accept responsibility for errors arising from incorrect or incomplete information provided by you. Please be aware that we will only conduct a brief look-over of your records to check to see if it "looks ok", **we will not conduct any audit or review** of your bookkeeping, GST, TPAR, FBT, Payroll tax returns etc and accordingly, no assurance will be expressed.

Unless specified above as a service to be performed for you, **this engagement cannot be relied upon to disclose irregularities** including fraud, other illegal acts and errors that may occur, however we may inform you of such matters, if they come to our attention.

Neither A I Clynk and Associates, nor any Director, Member or Employee of the Firm undertakes any responsibility or accepts liability in any way whatsoever to any person or organisation, in respect of the taxation return/s, financial reports or any other information provided.

We acknowledge that you may authorize an Accredited Data Recipient under the Consumer Data Right (CDR) to provide CDR data to us via a Trusted Adviser Insight. We confirm that for this purpose you may nominate A I Clynk & Associates as your Trusted Adviser and that A I Clynk & Associates complies with the definition of a Trusted Adviser under the Competition and Consumer (Consumer Data Right) Amendments Rules (No.1) 2021.

The recent changes to Section 225 (and 360) of APES 110 on Responding to Non-Compliance with Laws and Regulations (NOCLAR). We are 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. If we decide that disclosure of NOCLAR to the appropriate authority is the correct course of action, then such a disclosure will not be considered a breach of confidentiality under our code of ethics.

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### **3. Your Responsibilities**

You are responsible for:

- providing accurate and complete information in a timely manner
- maintaining adequate records to support your claims, including diaries, log books etc
- retaining all documentation relevant to your tax and financial affairs for at least 7 years
- all tax deduction claims made and for declaring all income
- reviewing documents and reports for accuracy and completeness before signing or submission.

You acknowledge that the accuracy of the financial statements and tax returns depends on the accuracy and completeness of the information supplied by you.

It is your responsibility, as the taxpayer/client, to make sure that all information submitted to the ATO/ASIC/Centrelink etc is lodged on time and is correct and precise. You are responsible for any General Interest Charge/Failure to Lodge On-time Penalties or other fines/penalties applied by any organisation including the ATO, ASIC etc. You understand that A I Clynk & Associates recommend that the Tax Return information be handed into them A.S.A.P. each year (preferably before 30 November), to possibly have your tax returns lodged on-time (but still no guarantee is assured) and ALL BAS/IAS Forms must be handed in to us by the 14<sup>th</sup> day of the month following the end of the Month or Quarter i.e. 14<sup>th</sup> Oct, 14<sup>th</sup> Jan etc. You the Client are solely responsible for the on-time lodgement and payment of ALL Forms, including Personal Superannuation Deduction Forms and Superannuation Guarantee Contributions (SGC) for Employees.

You understand that A I Clynk & Associates does not keep any particular information on file for yourself or any other related entity to you; i.e. CGT Info on Shares/Property etc. You understand that you are solely responsible to keep your own paperwork and documents in order and to keep your own knowledge up to date with current Taxation Laws and Regulations, so that you may comply with them.

### **4. Confidentiality and Personal Information**

Under the APES Code, we have an ethical duty of confidentiality, meaning we must not share or disclose your details of this engagement to anyone, except as otherwise specified in this clause, without your consent unless required by law. Specifically, and as required by subsection 114 of the Code, we will:

- be alert to the possibility of inadvertent disclosure, including in a social environment, and particularly to a close business associate or an immediate or a close family member
- maintain confidentiality of information within our firm
- not disclose confidential information acquired as a result of our professional and business relationship outside the firm without proper and specific authority, unless there is a legal or professional duty or right to disclose
- not use confidential information acquired as a result of our professional and business relationship for our personal advantage or for the advantage of a third party
- not use or disclose any confidential information, either acquired or received as a result of our professional or business relationship, after our relationship has ended.

You understand that you are solely responsible for any debts that you may have with the ATO or any other Gov't Organisations and as such, understand that A I Clynk and Associates may give out your personal details and Tax Returns, Notice/s of Assessment etc to the ATO, ASIC and any other Organisation (such as Child Support, Banks, Finance Companies, IPA Quality Reviews etc), which requests such information. You expressly give permission for A I Clynk & Associates to determine and lodge your Communication (and any other) Preferences with the ATO and any other Gov't Departments. You understand that some or all of your information may be held offsite, overseas or in "the cloud".

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## 5. Fees and Billing

The professional fees for the services we provide to you are according to the time, skill and expertise required to complete the agreed services and are charged based on (but not bound by) the hourly rates detailed below:

Principal/Senior Accountant	\$ 220 per hour + GST
Accountant	\$ 150 per hour + GST
Administrative Staff	\$ 150 per hour + GST
Company Secretarial (Annual Fee)	\$ 300 + GST (Includes one change)
Providing Extra Copies (per Document)	\$ 70 + GST

Our minimum charge is \$ 70 + GST

Unless otherwise agreed, we base our Fee as per the hourly rates above and in addition to the hourly rate, we will charge you for any out-of-pocket expenses (Stop Cheque and other Fees etc) and statutory charges we may incur.

Prices are subject to change without notice, but changes will be published on our website. This Engagement continues even if pricing changes are made.

You agree to pay our invoices within 14 days. **Overdue accounts may incur a 10% p.a. interest charge per day overdue and may lead to a suspension of services.**

Please note that any ATO Interest amount received by us on your behalf, under \$10, will be automatically retained by us as credit on our next Invoice to you.

If our Fees are unpaid, we hold the **Right of Lien** to any Documents, Files etc of yours that we may have.

If we are given further information after we have completed your Tax Return, our Tax Invoice for services rendered will be adjusted accordingly, so we request that we are given ALL documents/expenses etc when you drop off/email your paperwork to us.

You understand that A I Clynk and Associates may request full or part-payment of their fee before any work is started or may request payment before lodgement.

Any expenses, costs etc. incurred by A I Clynk and Associates in recovering or attempting to recover any outstanding debts from you, including debt collection and legal costs, shall be paid by you, the client, on top of the amount already outstanding.

### Fee Deduction Authority

You, the Client (and any other related entity), hereby authorise A I Clynk & Associates, of 3/64 Attfield Street, Maddington WA 6109, to deduct any Fees payable to A I Clynk and Associates, from any funds that they may hold or have control of and that any balance remaining, be remitted to you the client, as soon as practicable, usually by the issuance of a cheque from the "A I Clynk & Associates Trust Account". You also acknowledge that A I Clynk & Associates may automatically take their fee out of any of your monies held, if you have not paid your outstanding fee within the 14 day period (from the date shown on our Tax Invoice) or by the time we go to lodge your Tax Return.

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## 6. Record Retention

All source documents such as ledgers, receipts, invoices, journals, correspondence between the ATO and you, ATO Notices of Assessment, letters of advice, books of account, tax returns and financial statements **must be kept by you for 7 years**. We will **NOT** keep copies of your Dividend Reinvestment Slips, Investment or Share cost bases etc.

Our working papers and any documents that are kept in our files remain **our property**.

## 7. Professional Indemnity Insurance (PII)

We hold professional indemnity insurance of at least the minimum amount prescribed as per the Institute of Public Accountants By-Laws or as required by law. Our PII cover currently is held by CGU.

## 8. Engagement Period and Termination

This engagement will commence upon your acceptance of this letter and will continue until terminated by either party, either verbally or in writing. Upon termination, any outstanding fees **and/or** time still on our Account will become immediately payable. We will hold your Company File/Trust Deeds etc for collection for a period of **30 days** after termination of our services, whereby thereafter, they will be securely stored for a period of 5 years. A Fee will occur if you require us to obtain the Documents from storage, after the initial 30 days.

## 9. Professional Standards and Limitation of Liability

Pursuant to s33 of the *Professional Standards Act* 1994, our liability is limited by a scheme approved under professional standards legislation.

## 10. Acceptance of Terms

Please confirm your acceptance of the terms of this engagement by signing below and returning a copy to us. **This Engagement Letter should be read in conjunction with our separate Terms and Conditions**, which are available on request or on our Website.

### Acknowledgement and Acceptance

I, the undersigned (including any related Entities), acknowledge that I have read, understood, and accept all Terms and Conditions outlined and request to engage A I Clynk & Associates for the scope of work detailed above (and any other work requested thereafter).

Client Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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### Office Use Only

Type of ID checked: \_\_\_\_\_

Checked by / Date: \_\_\_\_\_

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