

## **Terms of engagement**

Our engagement is to assist with the tasks nominated in the “Services To You” paragraph of your personalised engagement letter or proposal, for your entity and family members as nominated in the schedule of clients included in your engagement letter.

### **1. Accounting & record keeping**

In undertaking this engagement, it is understood that you will generally ensure that:

- The bookkeeping and record keeping for all entities is maintained on a regular basis. We recommend these tasks be attended to weekly as a minimum.
- Reconciliations for the bank accounts, debtors and creditors are performed at the end of each month for each of the business entities. (N/A – If BW advisers is coding information).
- In respect of the personal tax returns for you, it is expected that all relevant information will be collated and forwarded to our office with all business entity information.

### **2. No statutory financial audits are conducted**

Unless otherwise agreed, you and your employees are responsible for maintaining the accounting systems and internal controls for all business entities, including all required books of account. Our firm is not engaged to conduct a statutory audit of the financial records of your business entities. We therefore will not express an opinion as to the truth and fairness of the financial statements. We can provide assistance with accounting systems and internal controls, but this is outside the scope of this engagement. We will be happy to quote for these matters as a separate issue.

### **3. Documentation**

Before we lodge your returns, we will seek your approval and signature. We will endeavour to ensure timely lodgement, however, if you are late in providing information or signing documents, while doing our best to meet the time limits, we will not be responsible for any late lodgement penalties or interest you may incur.

### **4. Ownership of documents**

Any original documents provided by you will be your property. The original signed tax return is our property in order to comply with ATO requirements. Any other documents brought into existence by us, including working papers and draft documents will remain our property. If our services are terminated, we shall be entitled to retain all documents owned by you until payment in full of all outstanding fees.

### **5. Additional services**

Our agreed fee is only for the preparation and lodgement of the accounting and taxation matters detailed in your personalised engagement letter or proposal. This fee includes the checking and forwarding of original assessments and original payment notices that are received from the Australian Taxation Office. Please note that as a general proposition we rely upon our clients to provide us with accurate and timely information to enable us to properly perform our obligations. Consequently, any rectifying work performed by us on the basis of incorrect or late information will be work, which is additional to the scope of our engagement and may incur an additional charge. The fee for this service does not cover any inquiries or investigations conducted by the ATO, ASIC, State Revenue Office, Workcover, or any other regulatory body on any of the matters under this engagement. This will entail work, which is additional to the scope of our engagement and may incur an additional charge.

### **6. Third Party Involvement**

We may from time to time engage third party specialist professionals and other public practitioners, where warranted to obtain the advice you need or to assist us to provide our service to you. These may include cloud service providers and outsourced service providers. We will seek your consent if third party involvement is likely to exceed the fixed price listed earlier in this document.

We have outsourcing arrangements with Santeo Accounting in India whom we engage from time to time to assist us. The nature and extent of the service that we utilise are as follows:

- Collection of source documents from online sources such as Computershare or Link Market Services;
- Data entry;
- Reconciliation of bank transactions ;
- Collation of source documents into a meaningful manner.

Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of the outsourced services as described above.

## **7. Substantiation**

Under the self-assessment provisions of the current tax legislation, the onus is on you to have adequate documentation to support your income tax returns with particular reference to the deductions claimed and transactions within your group of entities. Be aware that your accounts and tax returns may be subject to tax audit and that penalties apply for incorrect returns.

## **8. Our Expectations of You**

Our team will not start a job until **all** necessary information for that work has been received. As our team offers an expert, timely, courtesy service, we expect our clients to do the same, by:

- Giving us any relevant requested information in a timely manner and by addressing our team members in a polite, courteous and professional manner at all times;
- To present all records provided to us to the best of your ability;
- To notify us of any issues, discrepancies or grievances you may have as soon as they arise so that we have the chance to rectify them immediately;
- To pay our fees in accordance with the terms agreed to below;
- To provide us with the source records & documents needed to enable us to meet ATO & other governing bodies' deadlines in an efficient, stress free, timely manner.

We reserve the right to apply additional fees for work considered urgent.

## **9. To Act on Your Behalf**

As well as the above terms, your signature at the bottom of this page also gives us authority and your acceptance to:

- Act on your behalf;
- Receive & send correspondence for you and any associated entities to the ATO and other regulatory governing bodies;

- In order to obtain all information required to complete your work, we may also need to communicate with your financial planner, risk insurer, bankers, solicitors, investments and finance companies. Accepting your engagement also gives us the authority to contact them and obtain any relevant information to complete this assignment.

We acknowledge the trust bestowed on us by you to do this and will endeavour to carry out all representations in a professional, ethical manner. Please note that we will not provide any information to any person or organisation without your prior written consent, in line with our Privacy Policy.

## **10. Billing, Invoicing & Payment**

Services may be billed on a fixed rate or hourly billing rate, as indicated herein. Where we cannot provide a fixed rate quote, we will quote an hourly rate in cases of project work where it is difficult to define the scope of the service required. In the case where you have been quoted an estimate based on an hourly rate, BW Advisers will inform you of the amount of time used before we issue the final bill and collect payment. Our professional fees will be based on our regular billing rates, plus direct out-of-pocket expenses and applicable GST, and are due when rendered. Fees for additional services will be established separately.

We will submit our bill(s) as indicated in your personalised engagement letter or proposal. If an extension of our services is requested, we will discuss our fee arrangements at that time. If you choose one of these additional services, a separate engagement letter will be provided. These services will be billed separately.

We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed delinquent. In the event that any collection action is required to collect unpaid balances due to us, you agree to reimburse us for our costs of collection, including lawyers' fees.

Each business entity and adult family member listed in the Schedule of clients section of your engagement letter engages us on the terms set out in document and is bound by those terms. The business entities and adult family members listed are jointly and severally liable to pay our accounts, regardless of which of the listed individuals or entities those accounts are addressed to, or which of them received the benefit of the work performed.

## **11. Interest/Penalties**

We reserve the right to charge interest at a rate of the Cash Rate Target set by the Reserve Bank of Australia plus 2%, in accordance with relevant legislation. We also reserve the right to charge a monthly administration fee of \$25.00 on top of any interest charged as a penalty for late payment.

## **12. More than One Client**

If we are acting for more than one of you, you irrevocably and unconditionally consent to any conflict (if any) that may arise and you hereby authorise us to accept instructions from one of you, as instructions coming from the other, without having to revert to the other. You will each be severally and jointly liable for any fees, charged or disbursements incurred. You understand that you may choose to receive independent advice, as to this agreement.

## **13. Electronic Communications**

You agree that we will communicate with each other by electronic means such as e-mail, SMS etc. We and you each recognise that e-mail and the internet are inherently insecure, and that emails and data can become corrupted, are not always delivered promptly (or at all) and that other methods of communication may be appropriate. In addition, the internet is prone to viruses. We and you each recognise these hazards and so each of us will be responsible for protecting our own systems and interests and neither of you nor we will be responsible to the other on any basis for any loss or damage in any way arising from the use of electronic communication.

You hereby authorize us and request us to communicate with you by way of electronic communication, during and after termination of our services. You also understand that as such electronic communication is not secure it may be copied, recorded, read or interfered with by third parties while in transit and accordingly, you release us from any claim you may have as a result of any unauthorized copying, recording, reading or interference with any document that we send or receive by way of electronic communication, or for any delay or non-delivery of any document and for any damage caused to your system or any files by a transfer by way of electronic communication.

#### **14. Storage of Personal Information and use of Cloud Service Providers**

By signing this Engagement Letter, you acknowledge and agree that your personal information may be stored in Australia or overseas within the cloud service providers as set out in our privacy statement, which is accessible at the bottom of our website home page: [www.bwadvisers.com.au](http://www.bwadvisers.com.au).

#### **15. Appointment of Tax Agent/Australian Tax Office (ATO) Authorisation**

By engaging with BW Advisers, you agree to authorise us to add this entity to our ATO Tax Agent Portal (Online Services for Agents), using your entity/individual Tax File Number (TFN) you supply to us as the unique identifier.

We will act on your behalf in respect to your dealings with the ATO. As your authorised tax agent, we will be:

Adding you to our client list with the ATO lodgement facility.

Adding you to our client list on the ATO Tax Agent view of the portal.

Adding you to our SBR-enabled software client list

Representing you in the dealings with the Commissioner in relations to a tax and BAS provision.

Preparing and lodging activity statements, payment summary Information and Tax returns

Having access to activity statements and related information that may be provided.

This letter will be effective for future years unless you advises us in writing, or if we are removed from being your authorised tax agent within the ATO Tax Agent Portal.

#### **16. Additional Work and Charges**

Please note that as a general rule, you will not be charged extra for telephone calls or other attendances relating to these compliance issues. Therefore, if you have doubts about any actions or activities you are contemplating, please contact us first. Should it fall outside the scope of this engagement, we will let you know immediately and give you the option of engaging us for a separate project.

#### **17. Limited Liability**

The scope of work may fall within the CPA Australia Ltd Professional Standards (Accountants) Scheme, which facilitates improvements to industry professional standards and protects consumers. Accordingly, we need to notify you of the following:

“Liability limited by a scheme approved under Professional Standards Legislation”

Further information on the scheme is available from the Professional Standards Councils' website:

[www.psc.gov.au](http://www.psc.gov.au).

## **18. Service and Price Guarantee**

BW Advisers will always stand behind the quality and professional nature of the services that we offer. If at any point you are not completely satisfied with the services we have performed, we encourage you to bring this to our attention immediately. We'd love the opportunity to correctly address your concerns and allow us a chance to win your trust back and prevent similar problems from happening in the future.

If you are still not satisfied with the outcome of our services, we will work towards a mutual agreement regarding the payment for services completed. As an example, we may agree to either forgive the related payment or accept a portion of the originally agreed price that reflects your level of satisfaction.

Our advice and information is provided 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.

## **19. Termination of your engagement**

Subject to any statutory provisions that apply to the Services, and unless otherwise outlined in this Terms document, either party may terminate this engagement at any time by giving 28 days written notice to the other. Either party may terminate this engagement immediately if the other commits any material or persistent breach of its obligations under this agreement, in particular the Terms and Conditions set out in the Engagement Letter (which, in the case of a breach capable of remedy, has not been remedied within 7 days of discovery by the party in breach), or if the other becomes insolvent.

In addition, we may terminate this engagement on reasonable notice if any of the following circumstances occur:

- You fail to pay our accounts on time;
- You fail to provide us with requested information;
- You fail to provide us with adequate instructions;
- Your instructions involve acting contrary to the interests of another client;
- A conflict of interest has arisen or it is not appropriate for us to continue to act on your behalf;
- We are no longer able to provide all or part of the Services to you because of applicable auditor independence rules or legislation without ceasing to be independent in relation to an audit client; or
- For any other reasonable and just cause.

In addition to our other rights, upon termination you will be required to pay our charges for work done, and for any expenses incurred up to the date of termination together with our reasonable costs and expenses incurred in connection with the early termination of this engagement.

Termination of this engagement is without prejudice to any rights that may have accrued before termination. The Terms and Conditions of this agreement which expressly or by implication are intended to survive its termination or expiry will survive and continue to bind the parties.

## **20. Force Majeure**

Neither party will be liable to the other for any delay or failure to fulfil their obligations under this agreement if that delay and/or failure arises from causes beyond their control, including but not limited to fire, floods, acts of God, acts or regulations of any government or supranational authority, war, riot, terrorist activities, strikes, lockouts and industrial disputes.

## **21. Privacy**

We may collect Personal Information about your representatives, your clients and others when we provide services to you. If we do, you agree to work with us to ensure that we both meet the obligations that we each may have under the Privacy Act 1988 (Cth) (as amended) (Privacy Act). The obligations may include notifying the relevant person to whom the personal information relates who we are and how we propose to use their personal information. Where you have collected personal information, you confirm that you have collected the personal information in accordance with the Privacy Act, that you are entitled to provide this personal information to us and that we may use and disclose the personal information for the purpose/s we provide our services to you. We will handle personal information in accordance with the Privacy Act.