**Terms of Engagement**

T L C Taxation operates under the standards of the Institute of Chartered Accountants in Australia (“ICAA”). The ICAA has issued standards and recommendations regarding the Terms of Engagement (“Agreement”) between accountants and their clients. This Agreement is prepared in accordance with those standards and recommendations and confirms our understanding of the nature and the limitations of the services we will provide to you.

**Purpose of the Engagement**

Our normal range of services for our business clients are listed below and T L C Taxation agrees to provide such of these services that are relevant to you unless you instruct otherwise.

T L C Taxation agrees to prepare and lodge for you:

* Annual financial statements
* Annual income tax returns, including estimates of your taxation position and advice about taxation payments
* Minutes of meetings of directors, trustees and shareholders as required
* Company annual review forms and company changes forms
* Fringe benefits tax returns
* Activity statements

T L C Taxation also agrees to provide additional services as requested by you including taxation planning advice, general business advice, consulting services and assistance with the preparation of budgets and forecasts.

**Scope of our Services**

T L C Taxation will provide the above services which will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB). The extent of our procedures will be limited exclusively for this purpose. 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 will inform you of any such matters that come to our attention.

Annual financial statements, taxation returns and reports will be prepared for distribution to the relevant specific organisation or party for the purpose specified in the report or as agreed. We disclaim any assumption of responsibility for any reliance on our professional services to any party other than as specified or agreed, and for the purpose which it was prepared. Where appropriate, our report will contain a disclaimer to this effect.

Advice given by T L C Taxation will be based on our knowledge of your particular circumstances.

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**What you are to do**

T L C Taxation encourages our clients to attend to their own basic bookkeeping and record keeping requirements and will assist as requested. This gives you a better knowledge of your business and helps reduce the cost. The completeness and accuracy of the information you supply will affect the relevance and reliability of the Financial Statements, Income Tax Returns and other reports we prepare.

Unless otherwise agreed, you will be responsible for:

* Entries into your business computer records
* Reconciling the bank accounts on a regular basis
* Maintenance and reconciliation of your business wage records
* Maintenance and reconciliation of your accounts receivable and accounts payable listings
* Providing sufficient information to enable us to appropriately record deposit, payment and other transactions where you engage us to maintain cash or general ledgers for you
* Obtaining and retaining sufficient records to substantiate claims made for income tax deductions
* Retaining copies of all tax records for a period of five years
* Retaining copies of all tax invoices for GST purposes where appropriate for a period of five years
* Providing to us information requested within a reasonable period of time of the request from T L C Taxation

**Responsibilities**

In conducting this engagement, information acquired by us in the course of the engagement is subject to strict confidentiality requirements. That information will not be disclosed by us to other parties except as required or allowed for by law, or with your express consent. We wish to advise that our firm’s system of quality control 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 program of [Institute of Chartered Accountants of Australia / CPA Australia /Institute of Public Accountants] 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. Should this occur, we will advise you.

You are required to arrange for reasonable access by us to relevant individuals and documents, and to be responsible for both the completeness and accuracy of the information supplied to us.

**Limitation of Liability**

Our liability is limited by a scheme approved under Professional Standards Legislation. Further information on the scheme is available from the Professional Standards Council’s website:

<http://www.psc.gov.au/>

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**Professional Fees and Payment Terms**

Our fees are based on the time required to complete your work. The hourly rates vary depending upon the level of experience of the team member involved. Hourly rates are reviewed each year. T L C Taxation will provide cost effective services by assigning the appropriate member/s to your work. Our invoices contain details of the services performed. Where due to unforeseen circumstances, the fee is, or is likely to be, substantially greater than anticipated or expected, T L C Taxation will discuss the matter with you as soon as possible.

Our normal practice is to bill for our services progressively as the work is processed. We will normally issue one progress billing and one final bill.

Our payment terms are payment due in full no later than 7 days from issue of Invoice or due date, whichever is later. If the amount payable on the Invoice is not paid within 7 days of the date of that Invoice, then T L C Taxation reserves its right to charge you interest on the total unpaid amount calculated 30 days from the date of the Invoice until the actual date of payment at the rate of 13% per annum calculated daily.

In the event where your overdue account is referred to a collection agency and/or law firm, you will be liable for all costs which would be incurred as if the debt is collected in full, including legal demand costs.

**Documentation**

Before we lodge any tax returns on your behalf, we will forward them to you for approval and signing. We will endeavour to ensure that the returns are lodged by the due dates and will confirm with you at the beginning of the financial year when documentation should be provided to us. If you are late in providing information, we will do our best to meet the time limits, but we will not be responsible for any lodgement penalties you may incur.

**Ownership of Documents**

All original documents obtained from you arising from this 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 will result in the production of Financial Statements, Income Tax Returns and other reports and documents, including, if applicable, electronic documents or files, which will be supplied to you. Ownership of these documents will vest in you. All other documents produced by us in respect of this engagement will remain property of T L C Taxation. Specifically, any documents brought into existence by us, including general working papers, the general ledger and draft documents, will remain our property at all times.

If our services are terminated, we shall be entitled to retain all documents that we have prepared or hold until we have received payment for all outstanding fees. T L C Taxation has a policy of exploring a legal right of lien over any client documents in our possession in the event of a dispute. The firm has also established dispute resolution procedures.

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**Confirmation of engagement**

At T L C Taxation we are aware that there are many issues to consider in our “Terms of Engagement” and we ask that you consider all aspects of this to ensure that you are satisfied with the scope of our engagement.

Please contact us if you have any queries regarding our “Terms of Engagement”.

Once you are satisfied with the terms of our engagement, would you please initial each page, sign and date in below as indicated.

Acceptance of our “Terms of Engagement” indicates that you understand and accept the arrangements. This information will be effective for future engagements unless we advise you of any change.

We thank you for the opportunity to provide you with accounting and taxation services and we look forward to developing a close accounting relationship with you for many years to come.

Yours sincerely,

T L C Taxation

**Acknowledgment of terms of engagement**

I, *Click here to enter your full name* of *Click here to enter your residential address*  confirm that I understand and agree to your terms of engagement.

**Signed** ………………………………..…………………………

**Date** ………………………………...

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