

**RE: TERMS OF ENGAGEMENT**

Thank you for your instructions to attend to your professional accounting and taxation requirements. We look forward to working with you as your Accountant/Tax Agent.

This letter sets out our terms of engagement and the nature and limitations of the services that we will provide. The scope of work may fall within the CPA Australia Ltd Professional Standards (Accountants) Scheme (**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."*

If you want more information on the Scheme you can go to:

- [CPA Australia's Professional Standards Scheme](#) or visit
- [Professional Standards Councils' website](#) for additional consumer information.

Alternatively, if you want to clarify anything in the terms of engagement please call us on (08) 7082 0580 or email to your respective accountants/partner.

Yours sincerely,

FinPro Consultant Group

## **This terms of engagement is between**

FinPro Consultant Group, FinPro Consultant Group Pty Ltd., FinPro Consultant (Brisbane) Pty Ltd. it's associates, employees, directors (collectively referred as **us** or **we** or **our**)

**AND**

**<Individual>** (**you** or **your**) for the Term specified below:

**TO**

Prepare and lodge Individual Tax Returns

## **INDIVIDUAL TAX RETURN**

This document outlines the terms and conditions of our engagement and the responsibilities of FinPro Consultant Group Pty Ltd, including its associates (collectively referred as we/us/our/) and yourself, client (referred as you/your/yourself). Please read it and make sure that you understand the scope of our engagement. Terms are accepted on filling out the available Individual Tax Return Form (ITR form), whether online or offline. As a taxpayer, you would have a protection under "safe harbour" when you engage a registered tax agent. However, to obtain the "safe harbour" protection, you are required to provide "all relevant taxation information" to enable a registered tax agent to accurately assess your tax liabilities.

### **1. PURPOSE AND SCOPE OF THIS ENGAGEMENT**

Our engagement is to prepare and lodge your annual income tax returns. You engage us on the terms set out in this letter and are bound by those terms. Our services are offered on a "*fee for service basis*". Once the payment is received, you will be presented your tax return for your review, approval, and signature before it is lodged. Work that is performed or disbursements that are incurred which are outside the scope of our engagement will be the subject of additional charge. Any rectifying work performed by us on the basis of incorrect or late information provided to us will be outside the scope of the original engagement and will be charged as an additional service.

We will perform procedures (guided by the APES suite of standards) required that are directly related to the engagement consistent with our fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, professional behavior, and identifying, avoiding and dealing with conflicts of interests (Fundamental Principles).

We acknowledge that you may authorise 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 us as your Trusted Adviser and that we comply with the definition of a Trusted Adviser under the Competition and Consumer (Consumer Data Right) Amendments Rules (No. 1) 2021.

### **2. OUR OBLIGATIONS**

We will always endeavor to deliver the services mentioned in this TE with highest professional standards at all times. We will prepare your individual tax return on the basis of the relevant information and records you forward to us. The services we will provide, include the following:

- Gathering necessary information and documentation from you to accurately complete the tax return.
- Preparing the individual tax return in compliance with the relevant tax laws and regulations
- Advising you on potential deductions and credits available to optimise your tax position, based on the information provided by you.
- Filing the tax return electronically with the appropriate tax authorities.

- Responding to any queries or correspondence from the tax authorities related to the prepared tax return.
- Providing general tax advice related to your individual tax situation, as requested.

We will inform you:

- of your (or your employer's) rights and obligations available under taxation law, including any rights that might be available to seek a private ruling and the lodging of objections and appeals against adverse positions adopted by revenue authorities
- of any possible penalties and other legal tax consequences to enable you to make an informed decision

During the course of our engagement, if we identify or suspect that Non-Compliance with Laws or Regulations (NOCLAR) has occurred or may occur, which may have a direct effect on material amounts or disclosures in the financial statements or compliance and may be fundamental to **your's** ability to continue its business or to avoid material penalty, **we** may:

- discuss the matter with the appropriate level of management, those charged with governance or the internal auditor, as appropriate
- communicate the non-compliance or suspected non-compliance with your external auditor, unless prohibited by law or regulation
- disclose the matter to an appropriate authority even when there is no legal or regulatory requirement to do so; and/or
- withdraw from the engagement and the professional relationship where permitted by law or regulation

Where appropriate we will inform you of our intention to disclose the matter to an appropriate authority before disclosing the matter. However, if we have reason to believe that the actual or intended conduct would constitute an imminent breach of a law or regulation that would cause substantial harm to the general public, we may immediately disclose the matter to an appropriate authority in order to prevent or mitigate the consequences of such imminent breach of law or regulation.

### 3. YOUR OBLIGATIONS

You are responsible for the reliability, accuracy and completeness of the particulars and information provided to us.

It is your responsibility to have the records available with you before you can claim any deductions/expenses in your income tax return and save those records for such duration as required by Australian Law. We will not, however, be checking that the requirements of the substantiation provisions have been satisfied. However, we may, in certain circumstances, request to see source documents and require you to share the copies of records to substantiate your claim.

You are responsible for your own record keeping relating to your affairs. For ATO's review, those records must be retained for a period of five years after the assessments.

It is also expected that you will comply with the substantiation provisions of the *Income Tax Assessment Act 1936* and *Income Tax Assessment Act 1997*.

We will not, specifically, review any calculations, workings, or information you provide us in your logbook, rental property schedule, working from how related deductions, or any other documents that require calculations, nor will we be responsible for reviewing, verifying or auditing any records or statements provided. If you require assistance in completing a logbook or preparation of any calculations or you would want us to review such work, we would offer the service as an additional service.

Timely and accurate provision of all necessary information and documentation, including income statements, receipts, and relevant tax forms. We will do our best to catch up with the deadlines at all endeavours. However, if there are any lodgement penalties due to your inability to forward the documents on time, we will not be responsible. With the implementation of prefill via ATO portal, certain information like PayG summaries, Bank interest, dividends, private health insurance and many more are automatically prefilled in your individual tax return. It is your responsibility to ensure the correctness and completeness of those information.

Prompt response to our requests for additional information or clarification.

Reviewing the prepared tax return for accuracy and completeness before authorizing us to file it, on your behalf.

You have obligations under the self-assessment regime to keep full and proper records in order to facilitate the preparation of accurate returns.

**4. 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 (if applicable).

We have outsourcing arrangements with various sub-contractors in Australia and overseas whom we engage from time to time to assist us.  
In providing our services to you, we may utilise Cloud Computing Services or third-party software.

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

**5. FEES FOR THE PROFESSIONAL SERVICES**

**How fees will be calculated**

Fees for the Services will be charged on the basis set out in the Engagement or Confirmation Letter or Quote provided. Where these letters do not state the basis on which our fees will be charged, our fees will reflect time spent and such other factors as complexity, monetary values involved, specialist input required and the urgency of the matter. Our current hourly rate is

Partner	\$400 per hour
Manager	\$180 to \$200 per hour
Accountant	\$100 to \$170 per hour
Administration	\$80 to \$140 per hour

Our total fees or hourly rates and, where applicable, out-of-pocket expenses (Billings) are based on the currently applicable GST rate (except where we have assessed that the Services to be provided are GST free). If this GST rate changes, our Billings will be adjusted to reflect the change.

**Payment of Invoices**

Our fees for the individual tax return services will be billed at our standard hourly rates, unless otherwise agreed upon in writing. We will notify you in advance of any additional fees or expenses that may arise during the engagement.

Payment for our services is payable in advance, before we start your tax return, and your tax return will not be lodged until we receive the receipt of the payment. Unless otherwise stated in writing, any estimates which we provide to you of our anticipated fees, disbursements and charges for any work are only indicative of the amounts you can expect to be charged. Estimates are not quotes or caps, and are not binding on us. The fee for this service does not cover any inquiries, or investigations, or follow ups, or reviews, or audits conducted by the Australian Taxation Office. Substantial penalties apply for an incorrectly prepared income tax return. If you have any queries in respect to this, please contact our office for assistance.

Payment of invoices can be made by cheque, EFT, direct debit, or credit card. Payments by credit card will attract a service fee equivalent to the effective merchant fee levied by the card issuer.

A debt collection cost of 20% of the outstanding amount will be payable by you where the account is not paid within the trading terms. Our terms are payment in advance or upon receipt of invoice. We may, at our discretion, also charge you a commercial rate of interest on accounts which are overdue by more than a month.

## **6. Ownership of Documents**

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

Our engagement will result in the production of documents including, tax returns and letters of advice. These documents will be forwarded to you when completed and/or lodged and shall remain your property. All other documents produced by us in respect to this engagement will remain the property of our firm.

We may exercise a lien of your documents in our possession in the event of a dispute, which will be handled in accordance with our firm's dispute resolution process.

Subject to the payment of all outstanding professional fees and disbursements owing to us, we will provide you with materials produced by us for you in the event you engage the services of another practitioner and the materials are required by your new practitioner.

## **7. CONFIDENTIALITY AND PRIVACY**

### **7.1 Privacy**

Our collection, use and disclosure of your personal information (PI) may be subject to the Privacy Act 1988 (Cth) and accordingly we will only collect PI about you that relates to the TE. We may use and disclose PI about you for the primary purpose of providing taxation services to you, as well as for other purposes required or authorised by or under law (including purposes for which you have provided your consent). This PI may be stored overseas. If you would like to access or correct any PI we might hold about you, or make a privacy complaint, contact our office.

We may collect PI about you, 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 our respective obligations under the Privacy Act 1988 (Cth). Your obligations may include ensuring your privacy policy and contracts include a reference to your collection practices, how you will use the PI and that you may disclose the PI to an agent for public accounting services

Where an outsourced service requires the disclosure of PI to an overseas recipient, we take care to ensure that other third parties outside Australia to whom we disclose PI are subject to contractual obligations relating to

privacy and the handling of your personal information and can only use the information for the purposes stipulated by us.

In providing our services to you, we use various cloud-based software and technology platforms, including Artificial Intelligence (AI) tools, to assist with the delivery of accounting and taxation services. These AI tools may be provided by third-party service providers located in Australia or overseas. While we apply professional judgment in all outputs and maintain full responsibility for the services we provide, we may use AI to assist with tasks such as document analysis, drafting correspondence, or performing data checks. All reasonable steps are taken to ensure your information is securely handled in accordance with Australian Privacy Principles, and we do not use AI tools that publicly expose client data or store it outside secure, approved environments.

If your personal information is disclosed to CPA Australia for the purpose of conducting a CPA Australia Best Practice Program assessment on the services provided, your personal information will be handled as outlined in the [CPA Australia Privacy Policy](#).

## 7.2 Confidentiality

Under the APES Code, we have an ethical duty of confidentiality, meaning we must not share or disclose your details of this TE to anyone, except as otherwise specified in this clause, without your consent unless required to 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; and
- take reasonable steps to ensure that personnel under our control, and individuals from whom advice and assistance are obtained, respect our duty of confidentiality.

We may disclose your personal and confidential information details of the services provided to you, to CPA Australia Ltd (if requested), as part of our working papers, for the purposes of conducting a CPA Australia Best Practice Program assessment aimed at maintaining high industry professional standards. Any such disclosure of confidential information does not change any of our commitments to safeguard your information, and the information remains subject to any existing confidentiality obligations. We advise you by signing this letter you acknowledge, our engagement files relating to this assessment will be made available under this program.

When using cloud computing, we only store client information in data server managed in Australia, which is subject to Australian privacy law.

## 8. PROFESSIONAL INDEMNITY INSURANCE (PII)

We hold professional indemnity insurance of at least the minimum amount prescribed in the CPA Australia Ltd By-Laws or as required by law. Our PII cover at the time of this TE is AUD 2 million.

## 9. PROFESSIONAL STANDARDS SCHEME & LIMITATION OF LIABILITY

We participate in the CPA Australia Ltd Professional Standards Scheme (Scheme), which facilitates the improvement of professional standards to protect consumers and may limit our liability to you in a cause of action.

The Scheme applies to professional accounting services including accounting, bookkeeping, taxation, auditing and assurance, insolvency and corporate reconstruction, management accounting, management consulting, forensic accounting, valuation services.

Pursuant to s33 of the Professional Standards Act 1994, 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: <https://www.psc.gov.au>

## **10. DISCLOSURES**

In relation to the taxation services we will provide, we advise that:

- Tax Practitioner Board (TPB) maintains a register of registered tax/BAS agents and you may access and search the register from TPB website or from [here](#). The register contains details of registered, suspended, and deregistered tax and BAS agents.
- If you have a complaint about a tax agent service that we provide, we encourage you to seek to resolve it with us by contacting us and using our internal dispute resolution processes. You can also make a complaint to the TPB in accordance with their complaints process set out [here](#).
- Our registration as a tax agent is not subject to any conditions.
- In the last 5 years we have not been subject to any of the events described in subsection 45(1)(d) of the Tax Agent Services (Code of Professional Conduct) Determination 2024 (the Determination) (as currently proposed to be amended), or other matters required to be disclosed under other laws.

## **CONFIRMATION OF TERMS**

Once you submit the Individual Tax Return forms, either online or offline, we take this as confirmation of the terms included within this engagement letter.

You should retain the other copy as your evidence of our engagement. This letter will be effective for future years unless we advise you of its amendment or replacement, or the engagement is terminated.

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