



# CRISPIN & JEFFERY PTY LTD

## ENGAGEMENT TERMS

These are the Terms of Engagement ("Terms") between Crispin & Jeffery ("We") ABN 97 668 120 170 and you, our client. This Agreement is constituted by these Terms and any other later document that we advise you becomes part of or varies this Agreement. These Terms confirm our understanding of the nature and the limitations of the services we will provide.

### SCOPE OF OUR SERVICES

We will provide the services required 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 only. Thus, 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.

Our professional services are conducted as quoted or as per our agreed Fee Proposal,

If Annual Financial Statements are 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.

The scope of our engagement will be agreed by your direction, our quotation, OR your repeat engagement of us. .

### OUTSOURCED SERVICES

We may have outsourcing arrangements with whom we engage from time to time to assist us. The nature and extent of the services that we utilise are as follows:

- Accounting file preparation and/ or Data entry into our accounting systems
- Auditing of accounts (including Self-Managed Super Funds)

We, your accountants, will be required to take reasonable steps to ensure that Australian Privacy Principles are complied with by the overseas recipients of the Personal Information.

### USE OF CLOUD COMPUTING SERVICES

In providing our services to you, we utilise the systems and cloud computing services, and we rely on their security measures.

Specifically, we use Xero, MYOB, Quickbooks , CCH i-Firm and practice management ( cloud accounting systems), Class Super (a cloud based super fund accounting and administration system), Office 365 (a cloud email and calendar system), Box and Dropbox (cloud document management systems and Annature (a cloud electronic signature system). These cloud computing systems store files on remote servers operated by third parties, including the use of hosting providers in the United States of America and in Singapore.

There is the ability for you to act as the Subscriber for cloud based accounting platforms. rather than having us act as the Subscriber to that subscription. The Subscriber to a service has the ability to control access rights.

If we are the Subscriber for your service, we will always give you full access to your subscription, including if the business relationship between us terminates or if there is a dispute between us. If you transfer your business to a new accountant, you will need to provide us with the name and email address of your chosen new Xero Subscriber for us to transfer your Xero subscription.

### STORAGE OF PERSONAL INFORMATION

You should understand that your personal information may be stored in the cloud on servers based overseas.

### PERIOD OF ENGAGEMENT

Our engagement commences when you instruct us to perform any work.

### RESPONSIBILITIES

In conducting this engagement, information acquired by us during the engagement, including information relating to your affairs whether it belongs to you or not or is provided by you or not, 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.

The recent changes to Section 225 (and 360) of APES 110 on Responding to Non-Compliance with Laws and Regulations (NOCLAR) requires us to report a non-compliance with laws and regulations or acts or 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 the 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.

We wish to draw your attention to our firm's system of quality control which has been established and maintained in accordance with the relevant APESB standard. Thus, our files may be subject to review as part of the quality control review program of the 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.

### PRIVACY ACT

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.

### SINGLE TOUCH PAYROLL

If required, our terms of engagement authorise us to prepare payroll related inputs and their process for calculating and paying your employees, as well as preparing your taxation and superannuation obligations.

You authorise us to:

- prepare STP pay events on behalf of you;

- to make the relevant declaration to the ATO at the time of lodging each STP pay event; and
- to make the finalisation declaration to the ATO at the end of the financial year.

You (as the employer) acknowledge and accept responsibility for:

- providing employee salaries and worked hours information to us, before the appropriate pay-run date(s);
- ensuring that employee remuneration amounts comply with the appropriate payroll awards and Fair Work requirements; and
- ensuring that employee have the correct PAYG amounts withheld from each pay and the statutory rate of superannuation is paid quarterly.

## YOUR DISCLOSURE AND RECORD KEEPING OBLIGATIONS

You are required by law to keep full and accurate records relating to your tax affairs.

It is your obligation to provide us with all information that you reasonably expect will be necessary to allow us to perform work specified under this engagement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of you by us within 10 working days. Inaccurate, incomplete or late information could have a material effect on our services and/or our conclusions and may result in additional fees.

You are also required to advise us on a timely basis if there are any changes to your circumstances that may be relevant to the performance of our services. Specifically, if any subsequent event results in the information you provided to us being inaccurate, incomplete or misleading, then you are obliged to advise us as soon as possible. We take no responsibility to the extent that our advice is inaccurate, incomplete or misleading because it is based on inaccurate, incomplete or misleading information being provided to us.

By accepting the terms in this Agreement, you will be taken to have agreed that the performance of our services is dependent on the performance of your obligations relating to disclosure and record keeping.

The *Taxation Administration Act 1953* contains specific provisions that may provide you with "safe harbours" from administrative penalties for incorrect or late lodgement of returns if, amongst other things, you give us "all relevant taxation information" in a timely manner. Accordingly, it is to your advantage that all relevant information is disclosed to us as any failure by you to provide this information may affect your ability to rely on the "safe harbour" provisions and will be taken into account in determining the extent to which we have discharged our obligations to you.

You are also required to advise us if you become aware of any conflict of interest or potential conflict of interest. Generally, a conflict of interest is any event which may result in us becoming unable to remain objective in the performance of our services to you. Some examples of events which could give rise to a conflict of interest or potential conflict of interest during this engagement are changes to your business circumstances, events affecting your family (e.g. death and/or marriage breakdown) or a legal action commencing against you.

In relation to your financial records, you will specifically be responsible for:

- Maintaining your business and taxation records
- Obtaining and retaining sufficient records to substantiate claims made for income tax deductions
- Retaining copies of all financial records for a period of 5 years
- Providing to us all financial information requested within 10 working days of our request

**Please note that if you do not provide us your financial information properly reconciled and, in the format, requested by us, any up-front or Fixed Quotes we have provided to you will not be applicable and the cost of our services will be higher.**

## YOUR RIGHTS AND OBLIGATIONS UNDER THE TAXATION LAWS

You have certain rights under the taxation laws, including the right to seek a private ruling from the Australian Taxation Office (ATO) or to appeal or object against a decision made by the Commissioner. As relevant, we will provide further information to you concerning your rights under the Australian taxation laws while we provide our service to you. You also have certain obligations under the Australian taxation laws, such as the obligation to keep proper records and the obligation to lodge returns by the due date.

## OUR OBLIGATION TO COMPLY WITH THE LAW

We have a duty to act in your best interests. However, the duty to act in your best interests is subject to an overriding obligation to comply with the law even if that may require us to act in a manner that may be contrary to your interests. For example, we could not lodge an Income Tax Return for you that we knew to be false in a material respect.

We also have an obligation to ensure that we manage conflicts of interest as they arise. In this regard, we have arrangements in place to ensure that we manage potential or actual conflicts of interest. The effective operations of these arrangements depend, in part, on you complying with your obligation to disclose any potential conflicts of interest to us (as mentioned previously).

Our advice and/or services will be based on Australian Taxation Laws in force at the date of the provision of the advice and/or services. It is your responsibility to seek updated advice if you intend to rely on our advice at a later stage. We note that Australian Taxation Laws are often subject to frequent change and our advice will not be updated unless specifically requested by you at the time of the change in law or announced change in law.

## OWNERSHIP OF DOCUMENTS

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

Our engagement may result in the production of Financial Statements, Income Tax Returns, Super Fund Documents, and other 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 our property.

We will exercise a legal right of lien over any of your documents in our possession in the event of a dispute between us. We also have established dispute resolution processes, details of which are available on request.

## LIMITATION OF LIABILITY (if applicable)

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>

## DIRECTOR'S INDEMNITY (if applicable)

In the event that the entity invoiced by us for our services is unable to discharge its liabilities to us, then the entity's Directors or Trustees agree to personally indemnify us for any such liability.

## INVOLVEMENT OF OTHERS

Where, as part of this engagement, the services of an external consultant or expert are required, an estimated cost and timeframe and involvement will be provided to you for your approval.

## PAYMENT TERMS

In the event of you being in default of your obligation to pay us within the payment terms on our invoice, overdue invoice(s) are then referred to a debt collection agency and/or law firm for collection and we are charged commission and/or disbursements and/or legal fees, you agree that you will be liable to pay as a liquidated debt to us any commission, disbursements and legal fees payable by us.

Our payment terms are: Either upfront payment is required as listed on the attached Authority to Proceed or Payment due in full for all other engagements 14 days from issue of Invoice. If the amount payable on the Invoice is not paid within 30 days of the date of that Invoice, then interest will be payable by you on the total unpaid amount calculated 30 days from the date of the Invoice until the actual date of payment at the rate of 20% per annum calculated daily.

**Payment in full must be made before we lodge your Tax Returns with the ATO.**

If you decide to leave Crispin & Jeffery and appoint another accountant, then we will rule off the work-in-progress at that point in time that you notified us of your departure or that your new accountant provides us with an ethical letter, and we will issue a final fee for the balance of work-in-progress at that point. This may be work that you were not made aware of that we were undertaking, however for practical reasons we do not advise clients of every instance that we work on their files, if the work is minor and ancillary to complying with the Australian Taxation Office requirements and other requests that we may have (banks, requests for finance applications, etc.) This does not diminish the fact that the work was undertaken on your behalf and you also have a responsibility to settle this account before any records or information is provided to your new accountant.