



Donald & Co.
Accounting Services
Numbers made simple

STANDARD ENGAGEMENT TEMPLATE

Letter of Engagement for Individual Tax Return Services

This document sets out the standard terms on which Donald & Co. Accounting Services acts for individual clients engaging us for tax return preparation and lodgement.

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01 • Introduction

Hello,

We are pleased to accept the instruction to act as your Accountant for the work listed below, and we are writing to confirm the terms of our appointment. Where you nominate another person to liaise with us on your behalf, we will accept that person as your Nominated Person for this engagement.

The purpose of this document is to set out our terms for carrying out the work and to clarify the responsibilities that we each have to each other.

For an upfront price estimate, we will provide you with the work listed below. Our price estimate is based upon the assumptions that:

- nothing out of the ordinary has occurred that we were unaware of during the nominated financial year, and
- your records are properly reconciled and are in good order.

If an extra or unanticipated need arises, we agree to perform this work at an additional mutually agreed price before the extra service is provided.

02 • Client care

To ensure that we provide you with the best quality service, we like to ensure that all our clients know who will be in charge of their affairs.

The Director in charge of your assignment will be **Bianca Donald**. Please feel free to get in touch at any time, particularly if you have any queries on the service that is being provided, or on other services that may be of interest.

The person responsible for the day-to-day aspects of this assignment will be **Bianca Donald**. Please feel free to reach out at any time, particularly if you have queries on specific aspects of the work we are completing, or need to provide us with further information.

03 • Scope of services

We will provide the services listed in your Fee Proposal, 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. 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.

Where applicable to the attached Fee Proposal, Annual Financial Statements 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 reliance on our professional services by any party other than as specified or agreed, and for the purpose for which they were prepared. Where appropriate, our report will contain a disclaimer to this effect.

Our advice will cover income tax and Goods and Services Tax. It will not cover any other taxes such as stamp duty, land tax, or payroll tax. The scope of our engagement is limited to the services listed in the Schedule of Services below.

Who we are acting for

- We are acting for all Directors / Trustees / Owners of the client entity as required.
- Any change to the nominated person should be notified to us in writing and will not be effective until acknowledged by us in writing. By signing this engagement letter, you confirm and warrant that the Nominated Person is authorised to give instructions and information to us on your behalf, and to receive our advice and work product.
- This engagement includes all of the services outlined in the Fees section of your Proposal.

Our services

- You may request that we provide other services from time to time. We will issue a separate letter of engagement and scope of work accordingly.
- Because rules and regulations frequently change, you must ask us to confirm any advice already given if a transaction is delayed or a similar transaction is to be undertaken.

Fees

Our fees will be charged in accordance with your fee schedule. Please review this to ensure you understand the basis of our charge and our payment terms. Fees for all other work are based on time spent; we can provide an estimate for each assignment before it commences if you wish. Work outside the agreed scope of this letter will involve additional fees, computed on the basis of time spent by principals and staff and the levels of skill and responsibility involved. A full list of time spent and charge-out rates is available on request.

Invoices are payable in full, due upon completion of work, and as per the service schedule above.

04 • Engagement terms

These are the Terms of Engagement (“Terms”) between Donald & Co. Accounting Services (“We”), ABN 82 767 065 247, and the client named in the accompanying Fee Proposal (“You”). 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 limitations of the services we will provide.

Provision of tax agent services

All tax agent services are provided by Donald & Co. Accounting Services (ABN 82 767 065 247) under supervision of The Accounting Academy Services Pty Limited (ABN 93 671 788 355, agent number 26233096).

Your rights and our professional obligations

As a registered tax practitioner, we are bound by the Tax Agent Services Act 2009 (TASA), including the Code of Professional Conduct (the Code). This section provides the information required by the Code.

The Tax Practitioners Board (TPB) is the national board that registers and regulates tax practitioners. You can search the public register at www.tpb.gov.au/registrations. Our registration number is 26233096.

Tax agent portal

You give permission for us to link you to our tax agent portal in order to carry out the services.

Client verification

Each client is required to be verified by the Tax Agent, or its representative, in line with our professional and legal obligations. We will request a copy of photo ID (Driver Licence or Passport), or request that you display it to us in a video call.

Use of cloud computing services

We use Xero, Xero Practice Manager, Xero Tax, Class Super, Office 365, Box, Dropbox, Karbon, NowInfinity, Midwinter, MyProsperity, GoProposal, Practice Ignition, and DocuSign. These systems store files on remote servers operated by third parties, including hosting providers in the United States of America and Singapore.

You may act as the Subscriber for your Xero Business Edition subscription and invite us in as a user, rather than us acting as Subscriber. If we are the Subscriber, we will always give you full access to your subscription, including if the relationship terminates or a dispute arises. If you transfer to a new accountant, you will need to provide us with the name and email address of your chosen new Xero Subscriber. We are bound by the Xero Partner Code of Conduct, which sets out dispute resolution procedures and how your access will be maintained in the event of a dispute, including relating to non-payment of our fees.

Storage of personal information

By agreeing to this engagement, you acknowledge that your personal information may be stored electronically overseas.

Period of engagement

This engagement starts when you sign and accept the attached Authority to Proceed and make the upfront payment listed on the attached Fee Proposal.

Responsibilities and confidentiality

Information acquired by us during the engagement is subject to strict confidentiality requirements and will not be disclosed to other parties except as required or allowed by law, or with your express consent.

Under Sections 225 and 360 of APES 110 (NOCLAR), we are required to report non-compliance with laws or regulations by a client or those charged with governance. Where we decide such disclosure is the correct course of action, it will not be considered a breach of confidentiality under our code of ethics.

Our firm's system of quality control is maintained in accordance with the relevant APESB standard. Files may be subject to review under the quality control review program of the Institute of Public Accountants. By accepting this engagement, you acknowledge that our files may be made available under this program, and we will advise you should this occur.

Privacy Act

We may collect personal information about your representatives, clients and others when providing services to you. Where we do, you agree to work with us to meet our respective obligations under the Privacy Act 1988 (Cth), including notifying relevant individuals of how we propose to use their information. You confirm that any personal information you provide to us has been collected in accordance with the Privacy Act and that you are entitled to provide it to us for the purposes of this engagement. We will handle personal information in accordance with the Privacy Act.

Your disclosure and record-keeping obligations

You are required by law to keep full and accurate records relating to your tax affairs. The accuracy and completeness of information provided to us rests with you; our advice is only an opinion based on our knowledge of your circumstances.

You must provide us with all information reasonably necessary to perform this engagement in a timely manner, including accurate and complete responses within 10 working days. Inaccurate, incomplete or late information may affect our services and conclusions and may result in additional fees. You must also advise us promptly of any change in circumstances that affects our services, and of any actual or potential conflict of interest.

Please note: if financial information is not provided properly reconciled and in the format requested, any up-front or fixed-price proposal will not apply and the price for our services will be higher.

The Taxation Administration Act 1953 contains “safe harbour” provisions from administrative penalties for incorrect or late lodgement, provided all relevant taxation information is given to us in a timely manner. You are responsible for retaining copies of all financial records and source documents for a period of five years, and for providing information we request within 10 working days.

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. You also have obligations, such as keeping proper records and lodging returns by the due date. We will provide further information about these rights as relevant during the engagement.

Our obligation to comply with the law

We have a duty to act in your best interests, subject to an overriding obligation to comply with the law — for example, we cannot lodge an income tax return that we know to be false in a material respect. We also have arrangements in place to manage conflicts of interest as they arise; the effectiveness of these depends in part on your disclosure obligations.

Our advice is based on Australian taxation laws in force at the time it is given. It is your responsibility to seek updated advice before relying on it at a later date, as our advice will not be automatically updated for subsequent changes in law.

Ownership of documents

All original documents obtained from you remain your property, though we reserve the right to retain copies for our records. Financial statements, income tax returns, super fund documents and other deliverables produced under this engagement will vest in you on completion; all other working documents remain our property. We will exercise a legal right of lien over documents in our possession in the event of a dispute.

Limitation of liability

Our liability is limited by a scheme approved under Professional Standards Legislation. Further information is available from the Professional Standards Council's website: www.psc.gov.au.

Involvement of others

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

Payment terms

Where an unpaid invoice is referred to a debt collection agency or law firm, you agree to be liable for any commission, disbursements and legal fees payable by us as a result.

Our payment terms are: either upfront payment as listed on the attached Authority to Proceed, or payment in full within 14 days of the invoice date for other engagements. Interest of 24% per annum, calculated daily, applies to amounts unpaid 30 days after the invoice date. **Payment in full must be made before we lodge your tax return with the ATO.**

05 • Schedule of services

The terms below relate to the specific services included in this engagement.

Individual tax return — preparation & lodgement

- Preparation of individual tax return
- Lodgement of individual tax return with the ATO
- Advice on your tax refund / payable position
- Checking of Notice of Assessment from the ATO

Investment property schedules

- Preparation of Rental Property Schedule and Depreciation Schedule for your income tax return

06 • Confirmation

- This letter supersedes any previous engagement letter and remains effective until it is replaced.
- Either party may vary or terminate our authority to act at any time without penalty, on written notice.
- We would be grateful if you could confirm your agreement to these terms by signing the enclosed copy and returning it to us.
- If this letter does not reflect your understanding of the engagement, or your circumstances change, please let us know.
- This letter should be read in conjunction with the firm's standard terms and conditions.

This letter will remain effective for future years unless we advise you of any change.

Yours sincerely,

Bianca Donald

Donald & Co. Accounting Services

Client name (print)

Client signature

Date

Agent signature (Donald & Co. Accounting Services)