



ABN: 63 125 749 751

**OFFICE:** 2/23 Kurrajong Rd, NORTH ST MARYS NSW 2760  
(entry via Plasser Cr)

**POSTAL:** PO Box

**Tel:** 02 9623 4416

**E-mail:** info@vdmnthorn.com

**Web:** www.vdmnthorn.com

Dear Client,

### **Terms of Engagement – VDM & Thorn Pty Ltd - Accounting & Taxation Services**

Thank you for choosing VDM & Thorn for your accounting and taxation requirements. We look forward to working with you.

We understand the importance of providing professional accounting and taxation services and have prepared the attached Terms of Engagement (TE) to clarify the scope of our work and other terms. It is important that you read and understand this TE prior to engaging our services.

The scope of work falls 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:*

<https://www.cpaaustralia.com.au/about-us/consumer-information> or  
<https://www.psc.gov.au/consumer-information>

**\*See clause 13 of this TE for further information**

Should you require any further clarification or if there is anything you do not understand in this **TE**, please call us on 02 9623 4416.

Yours sincerely,

VDM & Thorn Pty Ltd

Vojislav (David) Momirovic

FCPA, B.Com (Acctg.), AssocDipBus (Acctg.), DipFS (FP)

## Terms of Engagement for Accounting Taxation Services

Between **VDM & Thorn Pty Ltd** (**us** or **we** or **our**) and (**you** or **your**) for the Term specified.

### 1. Purpose

This Terms of Engagement for Accounting and Taxation Services (**TE**) confirms our understanding of the engagement and the nature and limitations of services provided.

### 2. Term

This TE will commence at the time you indicate acceptance and will continue until the conclusion of the scope of work output.

### 3. Objectives and Scope of work

- 3.1 We will provide you with taxation services in compliance with APES 110 *Code of Ethics (Code)*, APES 220 *Taxation Services and the Code of Professional Conduct pursuant to Tax Agent Services Act 2009*, which include the scope of work as agreed.
- 3.2 Based on the above scope of work, you have given us with the authority to use the tax agent portal and other tax portal related activities for the purpose of managing and meeting your accounting, taxation, GST and superannuation lodgement obligations.
- 3.3 We will provide the scope of work output within the specified timeframe or within a reasonable period considering the context of the services.
- 3.4 Unless otherwise specified in this TE or letter of engagement, audit and assurance or review are not included in this engagement.

### 4. Our Promise

- 4.1 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 behaviour, and identifying, avoiding and dealing with conflicts of interests.
- 4.2 We will seek to understand your requirements and provide you services confidentially and professionally.
- 4.3 We will document sufficient and appropriate records of the procedures performed for the TE, which may be subject to Best Practice Program assessment by CPA Australia under APES 320 Quality Control for Firms.

## **5. Our obligations**

- 5.1** We are obliged to consider whether our clients create any threats to compliance with our Fundamental Principles and where we cannot reduce the risk to an acceptable level, we are obliged to cease the TE under the Code (section 320) to decline or cease the client engagement.
- 5.2** We have a duty to act in your best interests, unless this duty is inconsistent with our duty to act in the public interest.
- 5.3** We will inform you:
- Of your 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.
- 5.4** We are responsible for maintaining records electronically for a period of seven (7) years unless otherwise required by legislation.

## **6. Your obligations**

- 6.1** You are responsible for full disclosure of all relevant information.
- 6.2** You are responsible for your own record keeping relating to your affairs.
- 6.3** You provide us with all relevant and necessary documents and records relating to your affairs.
- 6.4** You are responsible for the reliability, accuracy and completeness of the particulars and information provided to us, and, if the TE includes financial reporting, the accounting records and disclosures of all material and relevant information provided to us. Accordingly, any advice given to you is only an opinion based on our knowledge or your particular circumstances.
- 6.5** You are responsible for retaining paperwork for as long as legally required.
- 6.6** You have obligations under self-assessment to keep full and proper records in order to facilitate the preparation of accurate returns
- 6.7** You must retain paperwork for a period of five (5) years after the assessment as you may be subject to an Australian Taxation Office review
- 6.8** You are responsible for checking the assessment before submission to ensure accuracy.

## **7. Third Party Involvement**

- 7.1** We may 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.
- 7.2** We will seek your consent if third party involvement is likely to exceed the fixed price (if applicable).
- 7.3** In providing our services to you, we utilise our secure database to secure your documents.
- 7.4** Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of outsourced services as described above.

## **8. Fees, Billing & Trust Monies**

- 8.1** If the engagement involves the use of trust monies, we will manage those funds in accordance with APES 310 *Client Monies* and as authorised by you in the Trust Account Authority Letter (if applicable) or as otherwise instructed by you.
- 8.2** Our professional fees will be calculated on a fixed fee and time-cost basis. If no method is specified, our fees will be calculated on a time-cost basis.
- 8.3** Our invoices may also include disbursements paid by us. These may include photocopying charges, telephone and facsimile transmission charges, travel fares and expenses, stamp duty and fees paid to third parties such as couriers, registration fees or fees for other professionals. These may be in addition to the fixed price (if applicable).
- 8.4** **Unless other payment terms are agreed, each invoice is payable in full once the professional services are rendered. Tax returns will not be lodged unless fees are settled in full.**

## **9. Ownership of materials**

- 9.1** You own all original materials given to us unless destroyed at your request.
- 9.2** We own all materials produced by us that resulted from our skill and attention to the extent that the materials produced by us incorporate any original materials you give to us.
- 9.3** 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. We also reserve the right to exercise a lien of your documents where fees are outstanding or where you decide to engage another practitioner, but our fees remain outstanding.
- 9.4** 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.

## **10. Privacy**

- 10.1** 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 disclose PI about you with your implied consent for the primary purpose of this TE or to third parties by express consent or as required by law. Please read our Privacy Policy for more information.
- 10.2** 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.
- 10.3** Your PI may be disclosed to CPA Australia Ltd and its service providers (if requested) for the purpose of conducting a CPA Australia Best Practice Program assessment on the services provided, which is aimed at maintaining high industry professional standards. CPA Australia Ltd will handle your personal information in accordance with the [CPA Australia Privacy Policy](#).

## **11. Confidentiality**

- 11.1** We have an ethical duty of confidentiality, which means 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.
- 11.2** We may disclose details and records of the services provided to you to CPA Australia Ltd, (if requested) for the purposes of conducting CPA Australia Best Practice Program assessment aimed at maintaining high industry professional standards.
- 11.3** When using database technology, we only store client information in data server managed in Australia, which is subject to Australian privacy law.

## **12. 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.

## **13. Professional Standards Scheme & Limitation of Liability**

- 13.1** 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.
- 13.2** 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.

**14. Other**

This letter will be effective for future years unless we advise you of its amendment or replacement, or the engagement is terminated.

**I/We** have read, understood and agrees to the provisions of this Terms of Engagement and has directed their duly authorised representative to execute this Terms of Engagement.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Last Updated: Feb 2022**