

Terms of Engagement for Public Accounting Services

Between McFillin Accounting (**us** or **we** or **our**) and the parties listed in Annexure A (**you** or **your**) for the Term specified.

1. Purpose

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

2. Term

2.1 This TE will commence at the time you indicate acceptance and will continue until revoked by you or us. We will not deal with earlier periods unless you specifically ask us to do so and we agree.

3. Objectives and Scope of work

3.1 We will provide you with professional accounting services in compliance with *APES Standard 110 Code of Ethics (Code)*, including:

- accounting services,
- bookkeeping services,
- transactional accounting,
- corporate secretarial services

3.2 We will provide you with output such as:

- Financial Statement reports,
- Business Activity Statement submission reports,
- Tax return submission report
- Other as specified

3.3 With respect to company secretarial services, we will be responsible for:

- Provision of annual company return
- Services relating to updating details of registrations, officeholders, share transfers
- Any services outside the scope of this agreement will be charged as a separate engagement

3.4 With respect to company secretarial services, you will be responsible for:

- Advising our office of any changes to officeholders and members' personal details including changes of address within 28 days from the date of change.
- Signing and returning all correspondence as requested by our office in a timely manner.

3.5 We will provide the scope of work output within the specified timeframe or within a reasonable period considering the context of the services.

3.6 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 the CPA Best Practice Program 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 are responsible for maintaining records for a period of 5 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 are responsible for meeting your statutory obligations and lodgement and payment deadlines.
- 6.4 You must provide us with records relating to your affairs in a timely and efficient manner.
- 6.5 You are responsible for the reliability, accuracy and completeness of the particulars and information provided to us,
- 6.6 You are responsible for retaining paperwork for as long as legally required.

7. Third Party Involvement

- 7.1 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.
- 7.2 We will seek your consent if third party involvement is likely to exceed the fixed price (if applicable).
- 7.3 We have outsourcing arrangements with TOA Global in Southport Queensland, whom we engage from time to time to assist us. The nature and extent of the services that we utilise are as follows: Administrative and Accounting Support.
- 7.4 In providing our services to you, we utilise Xero accounting suite using Cloud Computing provided by Creative Networks which is based in Brisbane, Australia.
- 7.5 Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of outsourced services as described above. In the event of the outsourced services require the disclosure of your personal information to an overseas recipient, we will take reasonable steps to ensure that *Australian Privacy Principles (APPs)* are complied with by the overseas recipients of your personal information.

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 or as otherwise instructed by you.
- 8.2 Our professional fees will be calculated on a time-cost basis, which will be specified in the letter of engagement.
- 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 within 7 days of receipt.

9. Ownership of materials

- 9.1 You own all original materials given to us.
- 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.
- 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. If you would like to access any PI we might hold about you contact us on 07 3263 7030.
- 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 Where an outsourced service requires the disclosure of PI to an overseas recipient, we will take reasonable steps to ensure, by contract or otherwise, the recipient complies with the Australian Privacy Principles.
- 10.4 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 a CPA Australia Best Practice Program assessment aimed at maintaining high industry professional standards.
- 11.3 When using cloud computing, we only store client information in data server managed in Australia, which is subject to Australian privacy law.

12. Professional Indemnity Insurance (PII)

- 12.1 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 with AIG Australia Limited.

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. Terms of Business

- 14.1 The terms of our engagement with you are contained in this document and any other additional or replacement terms which may from time to time be published on our website at [LINK](#) ("Terms").
- 14.2 We may on occasion be required to change our Terms to reflect changing legal regulations, business conditions, for security or technical reasons.
- 14.3 You agree that we may change our Terms at any time, by posting the changed Terms on our Website and by emailing to your last notified email address of that change taking effect.

15. Other

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