



Excel Financial Advisors Pty Ltd
is a CPA Business.

Excel Financial Advisors Pty Ltd
is Corporate Representative No: 288993 of
Interprac Financial Planning Pty Ltd AFSL 246638

Accountants – Tax Agents – SMSF & Business Advisors - Financial Planners – Finance Brokers

Individual Tax Return (Non-Business) Terms of Engagement

Thank you for your instructions to attend to your taxation requirements.

This letter sets out our terms of engagement and the scope of the work to be performed by us within that engagement. Please read it carefully and if you have any queries or wish to discuss any aspect, please do not hesitate to contact us.

With effect from 1 March 2010, a new regime for the regulation of tax agents has taken effect under the *Tax Agent Services Act 2009* and accompanying legislation (**TASA**). The new regime has implications for registered tax agents and also for their clients.

An important feature of TASA is the provision of a “safe harbour” protection from penalties in certain circumstances for taxpayers who engage registered tax agents.

To obtain the benefits of “safe harbour” protection, the legislation requires the taxpayer to provide the registered tax agent with “all relevant taxation information” to enable accurate statements to be provided to the Australian Taxation Office. This requirement may be important to both parties in identifying and understanding the purpose and scope of the engagement as set out below and may also affect other matters discussed below.

You will find further discussion on the “safe harbour” protections in the document entitled “**Clients’ rights and obligations under the taxation laws**” available on our website.

Obviously, there are many issues to consider in this engagement and we ask that you consider all aspects of this letter to ensure that you are satisfied with the scope of our engagement.

Please contact us if you have any queries about this letter.

If the terms of our engagement are acceptable, we ask that you sign the enclosed copy of this engagement letter in the places indicated and return the signed copy to our office. Please note that we are unable to perform any work for you until we receive the signed copy.

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

Stuart Fitzpatrick CPA(FPS) CFP® SSA™
Director, Excel Financial Advisors Pty Ltd

Confirmation of engagement

I confirm acceptance of the terms of engagement:

...../...../.....
Name Signature Date

Purpose of engagement

Our engagement is to prepare and lodge the annual income tax returns for you to assist you meet your taxation obligations.

Unless otherwise agreed, we will prepare the returns on an ongoing basis, in relation to the period following that for which the returns have most recently been finalised, and for each subsequent period.

You engage us on the terms set out in this letter and are bound by those terms.

Scope of engagement

Our engagement is to assist with the preparation and lodgment of your taxation returns. Our engagement will include advising you of your estimated tax refund or balance of any tax liability payable.

Our engagement will include provision of basic advice about substantiation requirements and elections or alternative claim methods available to you in respect of preparing your return, but does not include comprehensive advice on complex tax matters. If detailed or more complex advice is required we will provide this as a separate engagement with its own fee arrangement.

Our engagement will include preparation of any substantiation declarations and elections (if required) in respect of your tax return.

Assessment notices will be forwarded directly to you by the Australian Taxation Office. It is your responsibility to check the assessment against the estimate we have provided to you.

Our engagement includes examining and reporting to you the reason for any variance between our estimate of your tax refund or liability payable and the assessment issued by the Australian Taxation Office once you bring any variance to our attention.

This letter relates only to the abovementioned service and details the basis and terms of this engagement. Unless otherwise agreed, our engagement will be limited to the matters described in this letter. Work that is performed or disbursements that are incurred, which are outside the scope of this letter, will be the subject of additional charge.

Additional services

Any additional services or advice that you request are outside the scope of this letter and are not included in this agreed fee. These services will be charged on the basis of the time and degree of skill and acumen required to complete the task undertaken by us, including any direct out-of-pocket expenses.

Our engagement **does not** include assisting you with appeals or objections, applications for private binding rulings, or any enquiry investigation or audit arising from the tax return. We can provide this service as a separate engagement subject to its own fee arrangement should you require.



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by providing access to basic needs we take for granted and small giving to empower change.
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Taxation services

In engaging us to provide taxation services, it is important for you to understand that:

- You are responsible for the accuracy and completeness of the particulars and information provided to us by you.
- Any advice we provide is only an opinion based on our knowledge of your particular circumstances.
- You have obligations under the self-assessment regime to keep full and proper records in order to facilitate the preparation of accurate returns.

Documentation

Before we lodge any returns on your behalf, we will forward a copy of the return and any declarations or elections to you for approval. No return will be lodged with the Australian Taxation Office unless it has been approved by you.

Fees and charges

Unless otherwise expressly agreed with you in writing, our services will be provided to you on a fee for service basis as set out below.

We will provide you with a fee estimate prior to commencing work under this engagement. In preparing the fee estimate we will make assumptions about the nature and complexity of the work required, and the quality and completeness of the information you provide to us.

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.

Where an estimate is given and the scope of the work changes, or if it becomes apparent that the work involves matters that were not taken into account in the estimate, we will endeavour to advise you and provide an amended estimate as soon as it is practicable to do so.

The fee for this service does not cover any inquiries made to us or investigations involving us 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.

Your responsibilities to us

It should be noted at the outset as a general proposition we rely upon our clients to provide us with accurate and timely information to enable us to properly perform our engagement obligations. Consequently, any rectifying work performed by us on the basis of incorrect or late information will be work that is outside the scope of this letter and will be charged as additional services.

When we ask you to provide further information or clarification, we would generally require this information to be made available to us within 5 working days of our request.

Please ensure that you have all source documentation available to allow this firm to analyse the income tax implications of any transaction, if we request to see it. Whilst we will not as a matter of course be looking at these documents, the ATO will expect you (and you are required) to have them available before any claim is made in your income tax return. We may in some circumstances also request to see source documents if a tax issue is particularly contentious.

From time to time, this firm prepares templates and schedules to assist with the collation of information to complete income tax returns. These will be provided free of charge.

It is also expected that, in respect of individual income tax returns, you will have the necessary documents so as to comply with the substantiation provisions of the *Income Tax Assessment Act*.

Information to the requirements of the substantiation provisions relating to your income tax return and of the necessity to obtain acceptable receipts as specifically required by the legislation is outlined in the document "**Deduction Substantiation Requirements under the Tax Laws**" available on our website .

You will be required to provide us with a signed declaration that you comply with the substantiation requirements. We will not, however, be checking that the requirements of the substantiation provisions have been satisfied.

This specifically means that we will not be reviewing your log book or any calculations or information you provide us, for example a rental property schedule either prepared by you on spread sheet or by a property manager. If you require assistance in completing a log book or preparing any calculations or you would like us to review such work, please discuss this with us. This will entail work that is outside the scope of this letter and will be charged as additional services.

Timeframes

The Australian Taxation Office imposes a due date for lodgment of returns. For most people this is 31 October annually if you do not use the services of a tax agent, or 15 May annually if you do use a tax agent. For some taxpayers, including those with outstanding tax returns or who are normally larger taxpayers, the due dates are earlier. If an earlier due date applies we will advise you.

If you are late in providing information, we will do our best to meet the due dates, but we will not be responsible for any late lodgement penalties or interest charges you may incur.

We will generally endeavour to provide your return to you for approval within 10 business days of receiving any information requested from you required in the preparation of the return.

Ownership of documents

The tax returns that we are specifically engaged to prepare, together with any original documents given to us by you, shall be your property. Any other documents brought into existence by us, including general working papers and draft documents, will remain our property at all times.

If our services are terminated (by either party), you agree that we shall be entitled to retain all documents owned by you (including all tax refund cheques which come into our possession) until payment in full of all outstanding fees from you on any account. Where copies of any documents released to you are required for our records, you will be charged for the cost of photocopying at our normal rates.

Information relating to your affairs

Our firm may from time to time use the services of third party contractors to perform some of the services we are engaged to perform for you. You hereby authorise us to disclose information relating to your affairs to all such third party contractors as we may choose to engage to perform such work.

Where we use the services of third party contractors, we are nevertheless responsible for the conduct and activities of those contractors and for the delivery of the services we are engaged to perform for you.

From time to time our firm and our third party contractors may engage external IT service providers (including in relation to 'cloud computing' services) in the performance of services under this engagement. You hereby authorise us and our third party contractors to disclose information relating to your affairs to all such external IT service providers as we or our third party contractors may choose to engage.