

## TERMS OF BUSINESS

CKG Partners Pty Ltd is committed to making it easy for you to do business with us.

We have outlined our terms of business below, including the nature and limitations of the services we will provide.

We welcome you to contact us should any of these terms need further explanation

### Purpose, Scope and output of Taxation Engagements

The scope of the Services is limited to the work specified in the Client Service Agreement (or Proposal). Either you or CKG Partners Pty Ltd may request changes to the Services.

In providing our services, it is agreed that we will not be undertaking any independent audit of the financial statements or income tax returns prepared and therefore we will not be expressing an opinion as to the truth and fairness of those statements.

Our role will be limited to assistance in the compilation of the financial statements and preparation of the relevant taxation returns based on the information and records provided by you to us.

The financial statements prepared will contain an appropriate disclaimer that identifies the extent and limitation of our role. We are entitled to rely on the records provided as being both accurate and complete. Our involvement in the preparation of financial statements cannot be relied on to disclose irregularities including fraud, other illegal acts and errors that may exist. Any material weaknesses in the accounting or internal control systems which come to our notice will be drawn to your attention. We undertake to provide assistance and advice in record keeping (upon request, and as we see opportunities) allowing you to minimise costs in this area and best utilise our expertise as advisers.

In respect of the preparation of income tax returns, we are required by the Tax Agents Services Act 2009 to satisfy ourselves as to the reasonableness of the information and claims being made in your income tax returns. The legislation provides the basis for this and may require us to make further enquiries with you from time to time in relation to your taxation returns. Where possible, we will endeavour to identify the information that will be required in advance.

Some of your agreed work is subject to specific lodgement dates. Our objective is to ensure that all of your work is completed in time to meet these lodgement dates. This is reliant on receiving your work within a reasonable time period prior to those due dates and having timely answers to any queries raised.

Our default method of communication will be by phone or electronic means (in the form of emails) and we ask that you **take advantage of our digital signature platform**, to make the review and signature process seamless for both parties. The traditional method of paper and post will still be made available if that is the client preference.

Dates in any timetable set out in the Client Service Agreement (or Proposal) or otherwise advised are intended for planning and estimating purposes only and are not contractually binding.

We reserve the right to employ contractors to provide some or all of the Services, and any reference to our staff includes such contractors. We will remain liable to you for any of the Services that are provided by our contractors. From time to time we, 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.

### Your obligations and rights

The Tax Agents Services Act 2009 requires us to advise you of your rights and obligations where we are acting for you on taxation matters. In relation to the taxation services provided:

- You are subject to the self-assessment system in relation to any of your income tax returns. The Commissioner is entitled to rely on any statements made in your income tax returns. Where those statements are later found to be incorrect, the Commissioner may amend your income tax assessments and, in addition to any tax assessed, you may also be liable for penalties and interest charges.
- You have an obligation to keep proper records that will substantiate the taxation returns prepared and which will satisfy the substantiation requirements of the Income Tax Assessment Act. Failure to keep such records could result in claims being disallowed, additional tax being imposed, and the imposition of penalty or general interest charges.
- You are responsible for the accuracy and completeness of the particulars and information required to comply with the various taxation laws. We will use this information supplied in the preparation of your returns.
- Your rights as a taxpayer include:
  - The right to seek a private ruling;
  - The right to object to an assessment by the Commissioner;
  - The right to appeal against an adverse decision by the Commissioner.

Certain time limitations may exist for you to exercise these rights. Should you wish to exercise these rights at any time you should contact us so that we can provide you with the relevant time frames and to discuss any additional requirements which may exist.

### Information you will supply to us

To ensure the efficient completion of your work, you agree to make available all information as is reasonably required in order for us to complete the various engagements agreed.

To facilitate the preparation of the above items you will need to supply us with certain information and records.

It is important for you to:

- endeavour to answer our queries promptly so that the work can proceed smoothly and continuously.
- provide all information, documents and resources ("Materials") that we reasonably require to enable us to provide the Services including arranging access to third

parties, your premises and systems, and providing reasonable working facilities for us (where applicable);

- ensure that appropriate back up, security and virus checking procedures are in place for any computer facilities you provide;
- make senior staff available for consultation on request;
- make decisions promptly to facilitate the performance of the Services;
- bring to our attention any changes in the Materials provided to it as originally presented, and ensure that Materials supplied by you or on your behalf, to the best of your knowledge and belief, is not false or misleading and does not omit material particulars

It is very much in your best interests to minimise the record keeping element of our accounting fee by providing us with the most concise and accurate information you are able to compile. (Naturally you would apply a normal cost/benefit approach to this and would not spend \$500 worth of your staff's or your own time in an endeavour to save \$300 in accounting time).

### **Confidentiality**

We will treat as confidential and maintain the confidentiality of all information and records that you provide to us. We may seek the services of third parties from time to time as needed, however will endeavour to ensure that strict confidentiality is maintained through those relationships.

### **Ownership of documents**

In the course of our engagement we will prepare various working papers and notes consistent with our internal quality control system. These working papers remain the property of our firm and will be retained by us to support any future queries on work completed. Original source records provided by you to us to assist in the completion of your work will be returned to you at the completion of each engagement. Where appropriate we may take copies to retain on your client file.

### **Fees and Terms**

#### **Fixed priced engagements**

While the fixed price entitles you to an aspect of unlimited contact with us, if your question or issue requires additional research and analysis beyond day-to-day matters/business as usual matters (up to 15 mins in duration on each occasion), such services will be priced at hourly rates and billed monthly or at an agreed upfront price at your request.

To ensure that our arrangement remains responsive to your needs, as well as fair to both parties, we will meet throughout the year if necessary, and revise or adjust the scope of the services to be provided and the prices to be charged in light of the engagement experience.

Separate from the agreed fixed price, where applicable, invoices will be raised for reimbursement of direct out-of-pocket expenses which are charged at cost to our office, with no mark-up being applied.

If payment terms are not met, we reserve the right to stop providing services to you until your account is brought back within terms. We reserve the right to apply administrative and interest charges where you are in breach of our agreed payment schedule.

We advise we will not be held responsible for any consequences of this action as we consider a breach of our credit terms to be a breach by you in our contract to provide services to you.

Unless otherwise specified, our fixed price engagement is for a period of 12 months, and any proposal provided and agreed upon has been calculated by reviewing your needs, level of assistance and advice that you require for a full financial year (bearing in mind that there will be times throughout the year where a large amount of work is completed (e.g. your annual tax compliance) and then times when less work is completed (e.g. general queries, quarterly BAS processing etc). To assist with your cashflow, this is then spread out across a 12 month period on your preferred payment frequency with those payments contributing towards the full year's services so by the end of the 12 month period the services provided and the payments towards these services align.

If the decision is made to end this engagement midway through the proposal, a review of the level of service provided, compared with the current amount of payments towards these services will occur. By default, any remaining payments for the 12 month period will still be due.

### **Traditional Hourly-Rate engagements**

As our hourly charge-out rates for individual team members are based on the skill, experience, responsibility and qualifications of those members, we undertake to assign work so that it can be capably performed by a suitable team member at the lowest appropriate charge-out rate.

Time is charged in six minute units, in the performance of all services including preparation of financial statements and income tax returns, telephone discussions and advice, and any other services needed by you.

Our fees will also include direct out-of-pocket expenses which are charged at cost to our office, with no mark-up being applied.

As outlined above, hourly charge-out rates vary in accordance with the skills, experience, responsibility and qualifications of the team member involved in the assignment. These rates are reviewed six-monthly.

It is our policy that fees are rendered on an interim billing basis which means that time spent on your behalf will be billed at the end of each month, irrespective of whether the assignment has been completed. To make this system workable we will not render interim accounts for less than \$150, and when the assignment is near completion we may delay rendering a fee until it is complete.

Fees are payable within 14 days of the date of the invoice, and we have internal follow-up procedures to ensure that these terms are adhered to. You can assist us greatly by observing the terms and saving us unproductive administrative time in follow-up of accounts. In addition, we offer a number of payment options to assist you in instances where these terms are not able to be met, including a monthly payment facility by arrangement.

If these terms are not met, we reserve the right to stop providing services to you until your account is brought back within terms or until an acceptable payment arrangement with appropriate administrative and interest charge is entered into and adhered to. We advise we will not be held responsible for any consequences of this action as we consider a breach of our credit terms to be a breach by you in our contract to provide services to you.

### **Limitation of Liability**

Our liability is limited by a scheme approved under Professional Standards Legislation. Further information on the scheme is available from the Professional Standards Council website: <http://www.psc.gov.au>