

TERMS OF BUSINESS



1. Terms of Business and Matters that we need to disclose to you.

We have explained below the terms of Business and Matters that we need to disclose to you.

2. Basis of Services

We will provide the engagement letter to assist with preparing the financial accounts and preparing and lodging the taxation returns for your Group or any other agreed service. This includes the non-trading individual clients in your family (Individuals), as well as your trading entities (including individuals, corporate entities, partnerships, trustees, and self-managed superannuation entities) (Entities).

2.1 Accounting and record-keeping

In undertaking the engagement, you must generally ensure the following:

- The bookkeeping for all Entities is maintained regularly. In fact, we recommend the bookkeeping and record-keeping tasks be attended to each week.
- Reconciliation of the bank accounts, debtors, and creditors is performed for each entity at the end of each month.
- A stocktake is performed during the last weekend in June for each entity that deals in trading stock.
- It is expected that the trial balance of each of the Entities will be completed no later than 14 July each year.
- Regarding individual personal tax returns, we require that all relevant information be collated and forwarded to our office within 7 days of request each year. Your engagement letter provides more specific requirements for Individual tax returns.

2.2 Taxation services

In engaging us to provide taxation services, you need to understand the following:

- You are responsible for the accuracy and completeness of the particulars and information you provide.
- Any advice we can give is only an opinion based on our knowledge of your particular circumstances.
- Under the self-assessment regime, you are obliged to keep full and proper records to facilitate the preparation of accurate returns.
- We cannot provide taxation services if we find that the information on which those services are to be based includes false or misleading information, material information is omitted, or you are not prepared to amend that information appropriately.

2.3 Compilation of financial statements

By engaging us to compile financial statements, you acknowledge that:

- the reliability, accuracy and completeness of the accounting records are your responsibility and
- you have disclosed to us all material and relevant information.

2.4 No statutory financial audits are conducted

You and your employees are responsible for maintaining the accounting systems and internal controls for all Entities. That includes keeping and maintaining all required books of account. Our firm cannot be relied upon to disclose irregularities, such as fraud and other illegal acts and errors, that may occur regarding such matters.

Our firm is not being engaged in conducting a statutory audit of the financial records of any of your entities, and we will not express an auditor's opinion as to the truth and fairness of the financial statements.

2.5 Documentation

Before we lodge any returns for you, we will forward the documents to you for approval. We will endeavour to ensure that the returns are lodged by the due dates and will advise you at the beginning of the financial year when documentation should be provided to us.

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

2.6 Ownership of documents

The financial statements, tax returns, and any other documents 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, the general ledger, and draft documents, will remain our property at all times.

Suppose our services are terminated (by either party). In that case, each client separately agrees that we shall be entitled to retain all client's documents (including all client's tax refund cheques that come into our possession) until payment in full of all outstanding fees from all clients in the Group on any account. Where copies of any documents released to you are required for our records, you will be charged for photocopying at our standard rates.

Please note that, in accordance with the Tax Agent Services Act 2009, we must retain all client records for at least 5 years after the service is provided.

2.7 Additional services

Any additional services or advice you request that are outside the scope of the engagement letter will attract additional charges. We will separately advise you of the scope and fee for those services, including any direct out-of-pocket expenses. Please note, in particular, that any correspondence from the ATO or ASIC that does not relate to initial assessments or original payment notices will be charged as additional services.

2.8 Fees and charges

Our services will be provided to you on a fee-for-service basis. Unless otherwise stated in writing, any estimates that we provide you of our anticipated fees, disbursements and charges for any work only indicate the amounts you can expect to be charged. Estimates are not quotes or caps and are not binding on us.

2.8.1 Goods and Services Tax (GST) – Professional fees

Our professional fees are inclusive of GST. If our services are provided to individuals or entities registered for GST, then those individuals or entities may be able to claim a GST input tax credit for the GST they pay on our services. However, this will not be the case if the services we provide are used by the recipient in making an input-taxed supply or otherwise for a non-creditable purpose. The GST associated with our professional fees cannot be claimed as an input tax credit.

Suppose your matter involves a mixture of taxable, GST-free, and input-taxed supplies. In that case, we will not apportion our professional fees between these supply categories unless you have expressly requested us to do so.

Please note that if you make such a request after the commencement of any particular matter, it may not be possible for us to subsequently apportion professional fees incurred prior to receiving your request. Please contact us if you need separate advice on whether you will receive a GST input tax credit for the GST paid to us.

2.9 Confidentiality

We will keep the information acquired because of this engagement confidential. We will not disclose confidential information relating to clients in the Group without permission unless there is a legal duty to do so. We will also not be able to use any information acquired because of this engagement for our own personal advantage or the advantage of a third party.

2.9 Confidentiality (cont.)

We may also need to disclose information relating to one client's affairs to other clients in the Group to assist in performing our work, to persons responsible for the governance of an entity to comply with professional standards, to the relevant parties to protect our professional interests in legal proceedings, to a professional or regulatory body in response to an inquiry or investigation, to the relevant parties to comply with technical and professional standards (including ethics requirements), or to a professional body of which we are a member, in relation to a quality review program undertaken by that body. Each client in the Group hereby authorises us to do so when we consider it appropriate to further our performance of work for the Group or when requested by the relevant party.

2.10 Utilising outsourced services

From time to time, our firm may use "outsourced services" (which may include "Cloud Computing") to perform some of the services we are engaged to perform for you.

The list of third-party service providers currently used by our firm, to whom client information will or may be disclosed, are as follows:

From time to time, our overseas staff members in Clark, Philippines, may access the Xero file, tax details, and other client information software.

At RTO Accounts, we pride ourselves on providing a high-quality service to all our clients. Our staff are hired and vetted through an Australian HR Solutions company, TOA Global, with our staff working at their premises in Clark, Philippines. Our staff only work at their facilities, using their computers, state-of-the-art security protocols, and data security provided through Practice Protect.

We will let you know of any changes to this list from time to time.

Each client in the Group hereby authorises us to disclose information relating to that client's affairs to such third-party service providers as we may choose to engage to perform such work.

Where we outsource services to third-party providers, we are nevertheless responsible for their conduct and activities and for delivering the services we are engaged to perform for you.

2.11 Use of "Cloud Computing" (that is not an outsourced service)

From time to time, our firm may utilise "Cloud Computing" in performing services under this engagement, which is not an "outsourced service".

The list of "cloud computing" service provider(s) currently used by our firm in the provision of services which is not an outsourced service, to whom client information will or may be disclosed is as follows:

We use Xero (a cloud accounting system), Xero Practice Manager (a cloud practice management system), Xero Tax (a cloud tax return preparation system), BGL SF 360 (a cloud-based super fund accounting and administration system), Office 365 (a cloud email and calendar system), SuiteFiles and OneDrive (cloud document management systems), Payrix (a cloud payment solution), Annature, & DocuSign (cloud electronic signature system) and NowInfinity (a cloud corporate record management system). These cloud computing systems store files on remote servers operated by third parties, including hosting providers in the United States of America and Singapore.

You can act as the Subscriber for Xero Business Edition subscriptions and "invite" us into that subscription as an "invited user" rather than having us act as the Subscriber to that subscription. Xero has different user roles, and in particular, the Subscriber to a Xero subscription can control access rights to a Xero subscription. Suppose we are the Subscriber for your Xero Business Edition. In that case, we will always give you full access to your Xero subscription, including if the business relationship between us terminates or there is a dispute. If you transfer your business to a new accountant, you must provide us with the name and email address of your chosen new Xero Subscriber so we can transfer your Xero subscription. The Xero Partner Code of Conduct binds us. This Code contains dispute resolution procedures and instructions on using the Xero subscription in case of a dispute (including non-payment of our fees) between you and us.

We will let you know of any changes to this list from time to time.

Each client in the Group hereby authorises us to disclose information relating to those clients' affairs to such "Cloud Computing" service providers as we may choose to engage.

2.12 Non-compliance with Laws and Regulations (NOCLAR)

During the performance of our work under this engagement, we may detect conduct or a transaction that is considered to constitute NOCLAR, which has a material effect on any documents or information that might be required to be provided to a regulatory authority (RA), such as the ATO.

If we detect any NOCLAR, we may have a professional requirement to make a disclosure to an RA. We will follow a formal process, which will include advising you of our concerns and, if necessary, seeking legal advice. If we seek legal advice, we reserve the right to ask you to pay or reimburse us for our reasonable costs.

If we are required to make a disclosure to an RA, you agree to forever release us from any claim for costs or losses you incur in responding to or dealing with anything that arises from our disclosure.

2.13 Losses from unauthorised cyber-activity

We will take all reasonable precautions to ensure that any electronic data containing your private information is securely stored and that any email transmissions are protected and cannot be intercepted by third parties. However, we cannot be held liable for any loss you might incur because of any third-party intervention that accesses, procures or copies any data that contains your private information from any medium or device we use to store or send such information.

If, despite our firm's reasonable precautions to securely store your private information, you suffer any losses arising from unauthorised cyber-activity, you agree to forever release us from any claim for your losses.

2.14 Complaints

If you have a complaint about us, please get in touch with Shiv Jaidka of our office. We'll work with you to resolve your complaint as soon as possible.

If we cannot resolve the issue or you are not satisfied with how we are handling your complaint or with the outcome, you may be able to escalate the matter to the TPB. Complaints to the TPB must be made in writing using its [online form](#).

Note that the TPB cannot act on all complaints. [Visit this link](#) for further details about making complaints to the TPB.

2.15 Limitation of liability

Our firm's liability may be limited by a scheme approved under Professional Standards legislation and applicable regulations of the Professional Body.

3. Details of services to be provided

Our Engagement Letter will outline the services that we will provide to you.

4. Agent nomination process – Client-to-agent linking

The ATO has introduced a new process that requires all taxpayers with an Australian Business Number (excluding sole traders) to undertake certain steps to nominate a registered tax or BAS agent.

This process is referred to as 'Client-to-agent linking' ('CAL') and, importantly, it must be completed by the taxpayer seeking to nominate an agent. It cannot be done by agents on behalf of their clients.

We have determined that each entity (other than individuals) in your Group will need to undertake this process to nominate our firm as their registered tax agent/BAS agent

Please notify us as soon as the nomination process is completed by each client in your Group. We will then have 28 days to connect to the client on the ATO's systems. Please note that we cannot perform any work for a client who has not successfully completed the client-to-agent linking nomination process.

[Click here](#) for the ATO Client-to-agent linking steps needed to take to nominate our firm

5. Authorisation of ATO digital communication preferences

You may authorise RTO Accounts to change or withdraw our preferred address for service of ATO communications.

6. Information we are required to disclose to you

As a Tax Agent, our work for you is performed in accordance with the Tax Agent Services Act 2009. Under this Act, the Tax Agent Services (Code of Professional Conduct) Determination 2024 requires that we make the following disclosures to you.

- Matters that could significantly influence your decision to engage us (or continue to engage us) for a Tax Agent Service from 1 July 2022 onward include the following:

Court Enforceable Undertaking with ASIC: Shivdeep Jaidka has entered into a Court Enforceable Undertaking with the Australian Securities and Investment Commission (ASIC) on 20 Feb 2024 regarding the superannuation-related financial advice previously provided as an authorized representative of an Australian Financial Services License (AFSL). As per the undertaking Shivdeep Jaidka will not carry a financial services business (including on behalf of another person) until 20 Feb 2029. The undertaking does not prevent Shivdeep Jaidka from providing Tax Agent, Accountancy and Business Advisory Services. [Click here](#) for the ASIC media release and full details of the undertaking.

6. Information we are required to disclose to you (cont.)

- The Tax Practitioner's Board maintains a Tax Agents and BAS Agents register. [Click here](#) to access and search the register.
- If you have a complaint about our Tax Agent services, you must contact Shiv Jaidka in the first instance with details by email. We will email you an email letting you know we received your complaint and our understanding of the circumstances. The email will let you know that we will try to resolve your complaint within 14 days and go over the dispute resolution process. If you are unhappy with our proposed outcome, you can [file a complaint](#) with the Tax Practitioners Board (TPB). The TPB will send you an email to acknowledge the receipt of your complaint and review and risk assess your complaint. If you are unhappy with how the TPB has dealt with your complaint, the above link includes details about your review rights and who can further assist