

Terms and Conditions of Engagement

This document outlines the standard Terms and Conditions under which Nextgen Accountants agrees to provide services to you, our client. These Terms, together with your personalised Engagement Letter and any written amendments, form the basis of our professional relationship.

Together, they represent the complete understanding between you and Nextgen Accountants. If there is any inconsistency between the provisions in your signed Engagement Letter and these general Terms, the signed Engagement Letter will take precedence.

Under these general Terms, Nextgen Accountants provides services as independent professionals. The specific purpose and scope of our services will be outlined in your personalised Engagement Letter, which you will receive upon formally engaging us. We do not act as your employee, agent, or legal representative under this agreement.

If any part of this agreement is found to be invalid or unenforceable under applicable law, the remaining provisions will continue to apply in full force and effect.

You are reminded that:

- Performance of tasks is limited exclusively to those set out in this engagement letter;
- We do not (unless otherwise engaged to do so) undertake an audit or review, and as such no assurance will be expressed; and
- Unless we otherwise engaged to do so, this engagement cannot be relied upon to detect or otherwise disclose irregularities (such as fraud, illegalities, or the errors of other parties).

Scope of Engagement Disclaimer

Our engagement does not involve auditing or independently verifying records. We rely on information provided by you and accept no responsibility for errors resulting from inaccurate or incomplete information.

Variation of Terms

We may vary these terms or fees by giving at least 14 days' written notice, with any changes requiring your written agreement.

Limitation on Advice

Our advice is based on current tax laws, rulings, and practices at the date provided. We are not responsible for changes in law or interpretation unless you engage us to provide updated advice.

Professional Fees and Payments

Our fees for the services provided are based on the time taken and the level of professional expertise required to complete the tasks you've engaged us for. In addition to these fees, you may also be charged for any out-of-pocket expenses we incur while delivering the services, such as postage, travel, or document handling and any statutory charges imposed by government bodies (for example, lodgement or registration fees). These costs will be included in your invoice unless we have agreed otherwise in writing.

The standard professional fees inclusive of GST are (subject to notification of changes):

- Principal/Senior Accountant: \$ 330 per hour
- Accountant: \$ 220 per hour
- Junior Accountant: \$165 per hour
- Bookkeeping: \$ 99 per hour
- Secretarial: \$ 88 per hour

For work undertaken for a period of less than an hour, the rate shall be charged in six-minute blocks, or part thereof. All fees are GST inclusive.

Scope of Services and Estimates

Fees are reasonable estimates and costs may vary from time to time due to unforeseeable problems and delays, the co-operation of third persons and deficiencies in documentation. If costs are likely to be significantly higher than originally estimated, you will be informed in writing of the changes and reasons.

Any additional services or advice outside the scope of this engagement will be subject to separate fees and will require written instruction and approval from both parties.

Individual Tax Returns are priced at a fixed *standard fee per return. Any additional services that fall outside of the *standard fee inclusions will be treated as additional services and charged accordingly.

Our Terms of Business disclose a comprehensive outline of the *standard fee for preparing and lodging an individual tax return, including all relevant inclusions and exclusions.

Terms of Payment

Payment is required upon whichever is applicable:

- Upfront payment. We reserve the right, at our discretion, to request upfront payment. Terms are strictly 7 days from the date of invoice. We will not commence work until full payment is made.
- Monthly payment if entering into a package agreement. In this case payment date will be specific to your proposal and agreement.
- Due date listed on invoice. Terms are strictly 7 days from the date of invoice
- At the provision of services or receipt of an invoice.
- Payment for in office appointments are payable on the day unless otherwise agreed.

If the payment is not received within the agreed period, we reserve the right to suspend services until full payment is made.

Interest on Late Payments

If any invoice remains unpaid for more than 30 days after its due date, we reserve the right to charge interest on the outstanding balance at a rate equal to the Reserve Bank of Australia's cash rate plus 2% per annum, calculated daily, until payment is received in full.

Trust Account Disclosure

Please note that our firm does not operate a trust account and does not hold client funds in trust.

EFTPOS Transaction Fee Surcharge

Please be advised that payments made in our office via EFTPOS (electronic funds transfer terminal) will incur a transaction fee surcharge.

These fees are charged by our payment provider and passed on at cost. If you prefer to avoid these charges, alternative payment methods such as cash payment or bank transfer are acceptable but must be made in accordance with our terms of business.

For transparency, the applicable fees are disclosed in our Terms of Business.

Client Responsibilities – You agree to:

- Provide us with accurate, complete, and timely information necessary for the provision of services.
- Notify us immediately if you become aware that any information you have provided is incorrect or incomplete.
- Ensure that all documentation you provide complies with the relevant provisions under the Income Tax Assessment Act 1997 (Cth).

If you are late in providing information, best efforts will be made to meet deadlines. No responsibility will be accepted for any late lodgement penalties incurred.

Limitation of Liability

We will not be responsible for any errors or omissions in your tax return due to incorrect or incomplete information provided by you. Furthermore, we will not be liable for any penalties or fines resulting from late lodgement or incorrect returns, except where we are directly responsible for such issues.

Our liability to you for any loss, damage, or claim arising from our services will be limited to the total amount of fees paid by you for the relevant service, subject to the limitations imposed by the Professional Standards Scheme under the Institute of Public Accountants (IPA).

We are not liable for errors or delays caused by third parties (e.g., ATO, ASIC, banks, or outsourced services), except where due to our own negligence.

Outsourcing of Services

We may engage third-party contractors or outsourced service providers, whether in Australia or overseas, to perform services related to your accounting work. In doing so, we will take reasonable steps to ensure compliance with the Australian Privacy Principles (APPs).

By engaging us, you consent to our use of third-party service providers as necessary for the completion of the services.

Electronic Communications

We may use email and other electronic means to communicate with you. While we take reasonable steps to protect confidentiality, we are not liable for any interception, corruption, or delay of electronic data beyond our control.

Use of Cloud-Based Systems

In providing our services to you, Next Gen Accountants utilises various secure cloud-based platforms, including but not limited to **Xero, Office 365, MYOB, Now Infinity** and **ASIC**. These systems enable us to deliver services efficiently and securely.

We rely on the security measures and data protection protocols implemented by these providers to safeguard your information. Please note that some of these platforms may store data on servers located outside Australia.

We will take reasonable steps to secure your data. You acknowledge the inherent risks associated with electronic storage and transmission.

If you are using Xero Business Edition, you may choose to be the 'Subscriber' and invite us as a user, giving you full control over access. If we are the Subscriber, we will ensure you retain full access to your data at all times, including if our engagement ends.

We also adhere to the Xero Partner Code of Conduct, which outlines how access is managed in the event of disputes, including fee-related matters.

By engaging our services, you authorise us to share relevant information with these cloud service providers as necessary to carry out our work.

Cybersecurity and Client Responsibility

While we take measures to safeguard your data, we cannot be held liable for cybersecurity breaches outside our control. You are responsible for maintaining your own data security when sharing information with us.

Conflicts of Interest

We will promptly inform you of any actual or potential conflict of interest. If a conflict cannot be resolved, we may need to withdraw from the engagement.

Data Retention and Destruction

Client files and working papers will be retained for [e.g., 7 years] following the completion of services and will then be securely destroyed unless you request otherwise in writing.

Privacy and Confidentiality

We are committed to protecting your personal information in accordance with the Australian Privacy Principles. Your personal information will only be used for the purpose of providing the services specified in this engagement.

We will not disclose your personal information without your consent, unless required to do so by law or in response to a legal proceeding.

Termination of Services

Either party may terminate this engagement at any time by giving 30 days' written notice. In the event of termination, you will remain liable for all fees due for services performed up until the termination date.

We reserve the right to withhold certain documents or materials in the event of outstanding fees, in accordance with our legal rights to a lien.

We may terminate this engagement immediately if you enter insolvency, administration, or liquidation, or if your conduct compromises our professional standards.

Force Majeure

Neither party shall be liable for failure or delay in performance of their obligations under this agreement due to circumstances beyond their reasonable control, including but not limited to acts of God, war, terrorism, natural disasters, or any governmental actions that restrict or prohibit the provision of services.

Additional Services

The agreed fees relates to the preparation of financial statements and the preparation and lodgement of tax returns and business activity statements.

It is your responsibility to carefully review your ATO Notice of Assessment (NOA) and any payment notices. If you notice any discrepancies, it is your responsibility to notify us. Any investigation or correspondence with the ATO beyond standard lodgement will be treated as additional services and charged at our standard rates.

ASIC Annual Company Statement

Depending on the package you have agreed upon with us, and whether you have appointed us as your ASIC agent, you may be charged a separate fee of (currently) \$253 inc GST per corporate entity. This fee covers the ASIC Annual Statement Lodgement and our basic maintenance of your Company Statutory Register, along with any direct out-of-pocket expenses.

Additional fees will apply for more complex matters, including but not limited to:

- Closure of a company
- Sale or transfer of shares
- Any other non-standard corporate changes or compliance requirements

Access to Tax Returns and Administrative Charges

If you have signed your tax return via the Xero portal, you will be able to access a copy of the return at any time through your Xero account.

Should you require an additional copy of your tax return and request our office to re-generate it, either by printing or emailing, an **administration fee of \$35** will apply. This fee covers the time and resources required to retrieve and reissue the document. This administration fee also applies for an additional copy of your Notice of Assessment or any other document requested by you. Payment is to be made upfront prior to providing this service.

Scope of Advice and Additional Queries

Our engagement is limited to the scope of services explicitly agreed upon in this document.

Please be advised that any questions, queries, or requests for clarification that fall outside the scope of this engagement, whether during or after the completion of services, will be considered professional advice.

By accepting this agreement, you acknowledge and agree that such questions will attract a fee and will be charged in accordance with our fixed fee schedule or hourly advisory rates, as applicable.

We understand that clients may not always view a question as advice; however, our professional obligation requires us to treat all such interactions with the same diligence, care, and responsibility as formal advisory services.

Trust Accounts Held for Minors and Tax Return Lodgement

If you hold bank or investment accounts in trust for your child and have not provided their Tax File Number (TFN) to the financial institution, any interest or earnings may be subject to tax withholding.

Please note that even if your child is not ordinarily required to lodge a tax return, the only way to recover withheld tax is by lodging a tax return in their name.

Preparation and lodgement of a child's tax return is considered a separate service and will be charged at our fixed fee rates applicable to individual tax return preparation.

Payroll and STP Lodgement Services

If you request our assistance with payroll, a separate STP Engagement Authority will require your signature giving us permission to lodge your Single Touch Payroll (STP) reports with the ATO. While we provide bookkeeping support, including payroll-related tasks such as reconciling wages, our service is based solely on the payroll information you, your staff, or authorised third parties provide.

Please note:

We do not independently verify payroll figures, wage rates, penalty rates, allowances, employment awards, contracts or supporting documentation.

Our role may include processing and reconciling payroll data, but we rely on you to ensure that all employee pay rates and entitlements are correct and up to date.

You and your team are responsible for ensuring payroll is processed accurately and that all required records are maintained.

You are also responsible for ensuring your PAYG withholding and Superannuation Guarantee obligations are processed accurately for each employee and pay event.

ATO Authority

You authorise us to act as your registered tax agent, including liaising with the Australian Taxation Office (ATO) and other government bodies on your behalf.

Australian Government Bodies.

If at any time we engage with key Australian government bodies in relation to tax, compliance, superannuation, and financial reporting. Any dealings with these bodies – regardless of whether initiated by you or arising from any such body, including all manners of correspondence will be treated as additional services and will incur extra charges at the appropriate standard charge out rates.

These bodies are outlined in our Terms of Business.

Client's disclosure and record keeping obligations

You are required by law to keep full and accurate records relating of your tax affairs. It is your obligation to provide us with all information that would be reasonably expected will be necessary to allow us to perform work contemplated under the engagement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of client by the practitioner. Inaccurate, incomplete or late information could have a material effect on services and/or conclusions.

We need not verify the underlying accuracy or completeness of information from you if it appears reasonable. However, if we believe information is missing, incorrect or misleading, we will need to seek further assurance from you.

The Taxation Administration Act 1953 now contains specific provisions that may provide you with "safe harbour" from administrative penalties for incorrect or late lodgement of returns. These safe harbour provisions will only be available to you if, amongst other things, you provide "all relevant taxation information" to us in a timely manner (the safe harbour provisions apply from 1 March 2010). Accordingly, it is to your advantage that all relevant information is disclosed to us, as any failure by you to provide this information may affect your ability to rely on the "safe harbour" provisions and will be taken into account in determining the extent to which tax practitioners have discharged their obligations to clients. It is your responsibility to show that you have brought all matters to our attention if you want to take advantage of the safe harbours created under new regime. You are reminded annually that you are required to keep all documentation relating to your tax affairs for five years from the date of lodgement with the Australian Taxation Office.

Intellectual Property

All templates, working papers, and methodologies developed by us remain our property. You are granted a non-exclusive licence to use deliverables (e.g., tax returns and financial statements) for your personal or business use.

Previous Returns

It is noted that we are not engaged to review the accuracy of previous returns lodged by your organisation including that of the Principals, Partners, Trustees, Directors, Shareholders or Beneficiaries. You have warranted that reliance can be placed on the balance sheet(s) and other financial records presented by you for this purpose.

Dispute Resolution

Before initiating any legal proceedings, both parties agree to attempt to resolve disputes through good faith negotiation. If unresolved within 14 days, the matter will be referred to mediation before pursuing litigation.

Professional Indemnity Insurance

We maintain professional indemnity insurance as required under the Institute of Public Accountants (IPA) Professional Standards Scheme.

Terms of Business

Terms of payment

Unless otherwise agreed, payment is required on the day of services or on the date of invoice. No tax returns or any other submissions (BAS,STP, RTWSA,TPAR etc) will be lodged until full payment has been received.

Eftpos Transaction Fee Surcharge

Credit

- Mastercard: 1.84%
- Visa: 1.72%
- American Express: 1.84%
- UnionPay: 1.50%
- JCB: 1.84%

Debit

- Mastercard: 1.41%
- Visa: 1.42%
- EFTPOS: 1.09%
- UnionPay: 0.80%

Your responsibilities

You agree to provide, in a timely fashion, all information, documents and access reasonably required to enable us to provide the Services. Such documents, information and access may include, without limitation, files, records, accounts and data.

You acknowledge that we will not independently verify the accuracy of such information and documents. You are responsible for ensuring the accuracy of any information or documentation provided to us.

You agree to promptly notify us if, after providing information or documentation, you become aware that the information or documentation contains untrue, inaccurate or misleading content.

You acknowledge that inaccurate, incomplete or late information may have a material effect on our ability to provide the Services.

You are responsible for compliance with the substantiation provisions of the Income Tax Assessment Act 1997 (Cth).

Safe harbour protections

The Taxation Administration Act 1953 (Cth) contains specific provisions that may provide you with "safe harbour" from administrative penalties for incorrect or late lodgement of returns.

These safe harbour provisions will only be available to you if, amongst other things, you provide "all relevant taxation information" to us in a timely manner.

It is therefore in your best interests to provide all documents and information requested at the times specified by us.

Your rights

As an Australian taxpayer you have certain rights under Australian taxation laws, including the right to seek a private ruling from the Australian Taxation Office (ATO) or to appeal or object against a decision made by the Commissioner of Taxation.

We will keep you informed of any specific rights and obligations that may arise under Australian taxation laws.

Limitation of liability

We will not be responsible for any errors brought about by your failure to provide information or documentation later found to be material to your tax affairs.

We will not be liable for any loss or damage (including direct, indirect or consequential loss) arising from any inaccuracy or other defect in any information or documents supplied by you.

We will not be responsible for any late lodgement or other fees and fines brought about by your failure to provide required documents and information in a timely manner.

We will not be liable for any late lodgement penalties incurred unless we are solely responsible for the late lodgement of the documentation.

We will not be liable for errors or delays caused by third parties (e.g., ATO, ASIC, banks, or outsourced services), except where due to our own negligence.

No act or omission by our accountants will be considered gross negligence, wilful default, wilful misconduct, fraud, dishonesty or breach of duty to the extent to which the act or omission was caused or contributed to by any failure by any other person (who is not within our reasonable control) to fulfil any obligations relating to the Agreement or by any other act or omission of any other person (who is not within our reasonable control).

Any tax refund estimate provided is only an estimate and we are not responsible and will not accept liability if the ATO determines an outcome which is different than the estimate provided at the time of lodgement.

Our accountants are practicing members of the Institute of Public Accountants (IPA) and they are covered under the IPA Professional Standards Scheme (Scheme). Under the Scheme, our accountants' civil liability for damages arising out the provision of the Services will be limited to \$2,000,000.

A copy of the IPA Scheme is available on the website of the IPA at:
<https://www.publicaccountants.org.au/membership/ppc/professional-standards-scheme>

Some services may be performed by staff who are members of professional bodies such as CPA Australia, and Chartered Accountants Australia & New Zealand. These individuals may not hold a practising certificate and therefore do not act in a public practice capacity. All services are provided under the supervision and authority of our IPA practising members.

Indemnity

You agree to indemnify and hold harmless Nextgen Accountants and its employees, agents, and representatives from and against any claims, liabilities, damages, costs, or expenses (including reasonable legal fees) arising out of or in connection with the services provided under this Agreement, except to the extent caused by the negligence or wilful misconduct of Nextgen Accountants.

Ownership of documents

All original documents obtained from you shall remain your property. However, we reserve the right to make a reasonable number of copies for our records.

The Services will result in the production of output documents, such as financial statements and tax returns. Any such documents that we have been specifically engaged to prepare for you will be your property upon full payment of all outstanding fees.

All other documents produced by us in the course of providing the Services, including, but not limited to, general journals, general ledgers, draft documents, and working papers, shall remain our property.

We reserve a contractual lien over all documents and records held by us relating to the Services until all outstanding fees have been paid in full. This includes both your original documents and documents we have created or compiled during the engagement, to the extent permitted by law.

Tax practitioners' obligation to comply with the law

We have a duty to act in our client's best interests. However, the duty to act in our client's best interests is subject to an overriding obligation to comply with the law, even if that may require us to act in a manner that may be contrary to your directions. For example, we could not lodge an income tax return that we believe to be false in a material respect.

As a member of the IPA, our accountants are subject to the ethical and professional requirements of the IPA and its investigations and disciplinary processes. These requirements cover issues such as a code of ethics, adherence to accounting and auditing standards, requirements to undertake continued professional development and to hold trust money in a trust account.

Our accountants are bound by the APES 110 Code of Ethics for Professional Accountants, and pursuant to the Responding to Non-Compliance with Laws and Regulations (NOCLAR), our accountants are required to report any material potential or actual non-compliance with laws and regulations or acts of omission or commission, intentional or unintentional by a client which are contrary to the prevailing laws or regulations.

If we decide that a disclosure under NOCLAR is required (to the appropriate authority), then such a disclosure will not be considered a breach of confidentiality.

Reliance by third parties

Any reports prepared as a part of the Services (including Financial Statements and Income Tax Returns) will be prepared for distribution to you for the purpose specified in the report. There is no assumption of responsibility for any reliance on our report by any person or entity other than you and those parties indicated in the report. The report shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, our report may include a disclaimer to this effect.

Government Bodies Accountants Interact With may include but not limited to:

1. Australian Taxation Office (ATO)
2. Australian Securities and Investments Commission (ASIC)
3. Centrelink
4. Australian Prudential Regulation Authority (APRA)
5. Fair Work Ombudsman (FWO)
6. Australian Financial Security Authority (AFSA)
7. Australian Bureau of Statistics (ABS)
8. State Revenue Offices
9. Australian Business Register (ABR)
10. Department of Finance
11. Australian Charities and Not-for-profits Commission (ACNC)
12. RevenueSA
13. Department of Treasury and Finance (SA)
14. Consumer and Business Services (CBS)
15. Auditor-General's Department (SA)
16. SafeWork SA
17. South Australian Employment Tribunal (SAET)
18. Office of the Public Trustee
19. South Australian Civil and Administrative Tribunal (SACAT)

Confidential information

We may disclose confidential information if required to do so by law, a court order, a House of Parliament, or a Committee of a House of Parliament.

Outsourced Services

We may engage third-party contractors or outsourced service providers located in Australia or overseas to undertake various aspects of your accounting work.

These services may include:

- accounting file preparation and/or data entry into our or your accounting systems;
- auditing of accounts (including self-managed super funds); and
- financial planning (and dealing with financial institutions);

By entering into the Agreement, you accept the use of outsourced service providers, including as described above. Where the outsourced services require the disclosure of personal information to an overseas recipient, a consequence of your consent is that we will be required to take reasonable steps to ensure that Australian Privacy Principles are complied with by the overseas recipients of your personal information.

Privacy

We are bound by the Australian Privacy Principles (APPs) when collecting, using and disclosing your Personal Information (as that term is defined in the APPs) in connection with this Agreement. Your Personal Information will be collected and used by us for the sole purpose of providing the Services. We will not use your Personal Information for any other purpose without your consent. We may be required to disclose your Personal Information to third parties in order to perform the Services, such as the ATO. We will only provide your Personal Information to third parties to the extent necessary to perform the Services. Your Personal Information will be stored in Australia and will not be transferred or made available to entities outside of Australia without first notifying you. We will retain your Personal Information for as long as is necessary to provide the Services or as required by applicable law. After this time, we will destroy your Personal Information. We will notify you in writing of any breach of your Personal Information.

You warrant that:

1. you are entitled to disclose any Personal Information that you provide to us under this Agreement; and
2. you will assist us to comply with our obligations under the APPs, to the extent possible.

As a member of the IPA, our accountants are subject to the Professional Practice Quality Assurance (PPQA) reviews mandated by the International Federation of Accountants. By accepting this Engagement, you consent to our files relating to this engagement being made available for the PPQA review, if requested. Should this occur, you will be advised. Any such review will be of client records and not of you as a client.

Governing law

This Agreement and all aspects of our work are governed by the laws of South Australia. The parties submit to the non-exclusive jurisdiction of the courts of South Australia in respect of any dispute arising out of or in connection with this Agreement.

Termination

Either party may at any time, with at least 30 days' written notice to the other party, terminate this Agreement without cause, in which case you will be liable to pay us for all Services provided up to the effective date of termination.

In the event of termination of Services, we may, in our absolute discretion, invoke a lien over certain documents held until outstanding fees have been paid or other satisfactory agreements made in writing. A lien is a right to hold certain documents or property until the debt incurred in respect of that property / document has been satisfied subject to law. We will provide you with a copy of all documents not subject to a lien.

Either party may terminate this Agreement immediately if the other party commits a material breach of any of its obligations under this Agreement and fails to remedy such breach within 30 days after receiving written notice of the breach.

We may terminate this engagement immediately if you enter insolvency, administration, or liquidation, or if your conduct compromises our professional standards.

Recovery of Unpaid Fees and Legal Expenses

In the event of any unpaid fees, you agree to pay all costs and expenses incurred by us in recovering such fees, including but not limited to legal fees, collection agency fees, administration costs and any other associated costs incurred in the collection process.

Suspension of Services for Non-Payment

We reserve the right to suspend or cease further provision of services if any fees remain unpaid for more than 30 days, until payment has been made or satisfactory arrangements have been agreed.