**<Your name or your firm’s name/logo>**

**<Address and contact details>**

<date>

<client name>
<client address>
<client email>

Dear <client name>

**Terms of Engagement – Bookkeeping services for <name of entity>**

Further to our discussions on <date>, <we are/I am> pleased to accept your appointment as your Bookkeeper. This document sets out our terms of engagement. Any changes must be mutually agreed and confirmed in writing.

**Objective and Scope of Bookkeeping Services**

<We are/I am> engaged to provide you with bookkeeping services. This will involve:

* <service-1>
* <service-2>
* <service-3>

**<Our/My> Responsibilities**

<Describe what the bookkeeping engagement involves and what it will (and will not) provide>

<We are/I am> not engaged to provide BAS services or tax services. Only a registered tax practitioner may provide BAS services and a registered tax agent can provide tax services. Similarly, <we/I> have not been engaged to perform an audit nor a review as a service and, accordingly, no assurance will be expressed. This engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors. However, <we/I> will inform you of such matters if they come to <our/my> attention.

<We/I> advise that the responsibility for policy matters in regards to your accounting operating systems and internal controls rests with you, except where <we/I> have been engaged to provide such services. If any weaknesses in the accounting systems or internal control systems come to <our/my> attention, <we/I> will advise you accordingly.

<We/I> will perform bookkeeping services in accordance with professional and ethical standards including APES 110 *Code of Ethics for Professional Accountants* *(including Independence Standards).* Pursuant to the Responding to Non-Compliance with Laws and Regulations (NOCLAR) requirements of APES 110, <we are/I am> required to report any non-compliance with laws and regulations or acts of omission or commission, intentional or unintentional by a client or by those charged with governance, by management or by other individuals working for or under the direction of a client which are contrary to the prevailing laws or regulations.

**Use of Consumer Data Right Data** (optional)

<We/I> acknowledge that you may consent for an Accredited Data Recipient under the Consumer Data Right (CDR) to disclose your CDR data to <us/me>. <We/I> confirm that for this purpose you may nominate <firm’s name/me> as your Trusted Adviser and that as your trusted adviser, <we/I> will only access the data necessary to provide bookkeeping services as outlined in this engagement letter.

**Your Responsibilities**

<Describe any information or actions you require the client to provide or do to enable the timely provision of the engaged services>

It is expected that the source documentation will be made available to <us/me> as and when required. <We/I> will not be responsible for any errors brought about by your failure to provide information, documentation or material that is later found to be material to your bookkeeping requirements. You are responsible for the timely provision of information and <we/I> will not be responsible for any consequences brought about by your failure to act in a timely manner.

**Engagement Outputs**

<Describe the engagement outputs, including timeframes (where relevant)>

There is no assumption of responsibility for any reliance on <our/my> <describe engagement output> by any person or entity other than you and those parties indicated in the <describe engagement output>. The <describe engagement output> shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, our <describe engagement output> may include a disclaimer to this effect.

**Engagement Period**

The engagement period commences on <date> and will continue until <date>.

**Professional Fees and Payments**

<Our/my> professional fees are (subject to written notification of changes) $ <amount> per hour. All professional fees are GST inclusive.

[OR FOR SET FEE]

<We/I> charge a set fee of $ <XXX> <insert period – eg monthly> for bookkeeping services.

# Terms of Payment

Unless other terms have been agreed, <our/my> terms are strictly 14 days from the date of invoice. <We/I> will provide an itemised account of professional fees, costs and disbursements upon request. If you do not pay your account by that date, <we/I> reserve the right to use a debt collection agency or any other legal means to recover any outstanding fees.

**Ownership of Documents**

The final documents which <we are/I am> specifically engaged to prepare, together with any other original documents given to <us/me>, shall remain your property. Documents brought into existence by <us/me> including <specify nature of documents and working papers>, remain <our/my> property at all times. However, <we/I> will provide you with copies of any documents you require from time to time.

**Lien over Documents (optional)**

[Further guidance: refer "Lien over Client Documents” under Practice Management Tools on IPA's website: <https://www.publicaccountants.org.au/resources/templates>]

If permitted by law, <we/I> may exercise a lien over all materials or records in <our/my> possession to all engagements for you until all outstanding fees and disbursements are paid in full.

**Quality Review**

As a member of the Institute of Public Accountants (IPA), <we are/I am> subject to the IPA’s Quality Review Program (QRP) mandated by the International Federation of Accountants (IFAC). QRP reviews assess member compliance with the professional and ethical standards and by accepting our engagement you acknowledge that, if requested by IPA, our files relating to this engagement may be made available for QRP review. Unless otherwise advised, you are consenting to your files being part of a QRP review.

**Professional Standards Scheme**

As a member of the IPA, <we are/I am> part of the IPA Professional Standards Scheme and <our/my> liability is limited by a Scheme approved under Professional Standards Legislation. For more information on the IPA Professional Standards Scheme or Professional Standards Schemes generally, please refer to: [www.psc.gov.au](http://www.psc.gov.au).

**Privacy**

<We/I> understand the importance of protecting the privacy of your personal information. In handling personal information, <we/I*>* comply with the *Privacy Act 1988* (Cth) (Privacy Act), as amended from time to time, and with the 13 Australian Privacy Principles in the Privacy Act and other applicable privacy-related legislation.

<We/I> collect, use, disclose and store your personal information in accordance with <our/my> privacy policy, a copy of which can be found on <our/my> website or otherwise made available to you upon request.

<We/I> may collect your personal information directly from you or your authorised representatives, from third parties where you have provided your consent, or where the collection of your personal information is permitted by law.

The types of personal information <we/I> collect includes <amend list to accurately reflect the personal information that is collected> general identification information such as names, occupation, and date of birth, contact details such as address, email address, and mobile phone number, government-issued identification numbers such as tax file numbers, financial information, and information regarding your superannuation and/or insurance arrangements.

Generally, <we/I> collect, use and disclose your personal information for the purposes of providing you with <description of services> services.

If you do not provide your personal information to <us/me>, this may affect <our/my> ability to assist you.

<We/I> may also use your personal information for the purpose of providing marketing information to you. Please let <us/me>know if you do not want this information to be sent to you.

To provide <our/my> <description of services> services, <we/I> may disclose your information to third parties engaged to perform administrative or other business management services. <insert if the optional Third Party Involvement clause below is being used, otherwise delete:> We may also disclose your personal information to third parties engaged to undertake specific processes, functions or activities and/or provide services for <us/me>.

Any disclosure is always on a confidential basis. <We/I> may also disclose your personal information if required or authorised by law.

<insert if personal information may be disclosed overseas, otherwise delete:> <We/I> may disclose personal information to overseas recipients in order to provide necessary <description of services> and for administrative or other business management purposes. Before disclosing any personal information to an overseas recipient, <we/I> take steps reasonable in the circumstances to ensure the overseas recipient complies with the Australian Privacy Principles or is bound by a substantially similar privacy scheme unless you consent to the overseas disclosure or it is otherwise required or permitted by law.

If you would like to access, or seek correction of, the personal information <we/I> collect and hold about you, or otherwise enquire or complain about our approach to privacy, please contact <our/my> privacy compliance officer on <telephone number> or at <email address>. <Our/my> privacy policy contains further information about these processes.

**Third Party Involvement (optional)**

At times <we/I> may outsource some of our work which involves us entering into an agreement with a third party to provide specific processes, functions, services or activities for us. If <we/I> decide to do this as part of performing the services for you, we will contact you first to seek your approval to engage other parties.

[Include the following paragraph only if you have outsourcing arrangements relevant to the client]

<We/I> have outsourcing arrangements with <insert name of third party> in <insert location of third party> whom we engage from time to time to assist us. The nature and extent of the service <we/I> utilise are <insert relevant activities>.

[Include the following paragraph only if you use cloud computing services relevant to the client]

In providing our services to you, <we/I> utilise cloud computing systems provided by <insert name of provider> which is based in <insert location of provider>. <Insert details of how confidential information of clients is stored – this could be by way of reference to a separate document or information on your website.>

This engagement is a contract between you and <firm name/me>, and you agree that none of the third parties <we/I> use will have any liability to you and you will not bring any claim or proceedings of any nature in connection with this engagement against any third party that <we/I> may use to provide the services. This exclusion will not apply to any liability, claim or proceeding founded on an allegation of fraud or other liability that cannot be excluded under law.

Please contact <us/me> if you have any queries about this engagement. Please sign and return the confirmation of acceptance of this engagement.

<We/I> thank you for the opportunity to provide bookkeeping services to both yourself and your business.

Yours faithfully

<Signature and detail panel with name and address of professional accountant engaging services*>*

**Client Acknowledgement and Confirmation**

<We/I> <Mr/Ms> <name>, as <Managing Director/Manager/Trustee/Partner> of <name of entity and address of entity>, hereby acknowledge and accept the terms of this engagement provided to us. We also undertake that we have the capacity to make this engagement (if on behalf of an entity).

<We/I> also agree that <we/I> shall be personally liable for all fees for services performed in accordance with these terms of engagement.

Signed……………………………………..……………….

Print Name……………………………………….……….

Date…………………………………………….………….

Signed……………………………………………….…….

Print Name………………………………………..………

Date………………………………………………….…….