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

**<Address and contact details>**

<date>

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

<client email>

To the <Trustees/Directors> of the Corporate Trustee of <SMSF name>

**Terms of Engagement – <Establishing/Winding-up> a self-managed superannuation fund**

Further to our discussions on <date>, <we are/I am> pleased to accept your appointment to provide accounting services to assist you to <establish/wind up> a self-managed superannuation fund (SMSF). This document sets out our terms of engagement. Any changes must be mutually agreed and confirmed in writing.

**Objective and Scope of Services**

The purpose of our engagement is to <establish/wind-up> a SMSF based on your instructions. Under this engagement, <we/I> agree to provide the following services:

Establish an SMSF [delete this section where not applicable]

* Making arrangements for the appointment of a trustee
* Creation of a trust and trust deed
* Provision of advice on how to add new trustees and members to an existing SMSF
* Provision of advice on the different ways a SMSF could be structured
* Provision of advice on how to process transfers and rollovers of funds
* Registration of the fund - obtaining ABN and TFN
* Assistance with setting up a bank account for the SMSF.

**[OR]**

Wind-up an SMSF [delete this section where not applicable]

* Making arrangements to wind-up a SMSF.

**<Our/My> Responsibilities**

<We/I> will <establish/wind-up> a SMSF in accordance with professional and ethical standards including APES 110 *Code of Ethics for Professional Accountants* *(including Independence Standards)*.

NOCLAR obligations

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.

<We are/I am> not licensed to provide financial product advice under the *Corporations Act 2001* (Cth). If you have not already obtained independent financial advice, you should seek advice from an Australian Financial Services Licensee (ASFL) before making a decision to <establish/wind-up> a SMSF.

<We/I> confirm that <we/I> have not provided you with financial advice, recommendations and/or a statement of advice in relation to the use of a SMSF.

Where the decision to <establish/wind-up> a SMSF is based upon the advice and recommendation(s) of a licensed and qualified financial advisor (who is an AFSL), we may have regard to that advice in providing our services. By having regard to any advice and/or recommendation(s), we are in no way providing any assurance, endorsement or opinion on the <establishment/winding up> of a SMSF.

If the decision to <establish/wind-up> a SMSF is based upon your own research, we are not qualified/licensed and therefore will not be in a position to provide you with any warnings or advice about the suitability and appropriateness to <establish/wind-up> a SMSF. We reiterate that you should consider taking advice from an independent financial advisor.

Matters outside the scope of services

In undertaking this engagement <we/I> will not:

* perform an audit or review or verify the information provided to <us/me> (although <we/I> may ask for clarification) unless you have engaged <us/me> separately to do so. Accordingly, no assurances are made in this regard. This engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may exist
* provide any financial advice or recommendations about financial products, given <we/I> do not hold an AFS licence and therefore are not in a position at law to do so
* provide any financial planning services for the investments of a SMSF, or any planning advice for your future retirement
* provide any assurance or opinion on the proposed transaction, including, for example, whether you should proceed with the proposed transaction
* endorse any of the financial advice and recommendations provided which has led to your decision to <establish/wind up> a SMSF
* provide legal advice. All <our/my> work is from an accounting services perspective only. You should consult a legal practitioner to obtain such legal advice if required
* not give you any tax or accounting advice, unless you separately engage <us/me> specifically to do so
* provide financial advisory services about the use of a SMSF as an investment vehicleincluding, but not limited to:
* investment strategy
* provision of financial product advice recommending a SMSF or particular investments through a SMSF
* recommending that a person acquires or disposes of an interest in a SMSF
* insurance advice
* exit strategy and
* discussions about borrowing through a SMSF.

Any comments or observations which <we/I> make on such issues will not constitute advice or recommendations.

It is agreed that you will not be relying on any advice provided by <us/me>, except to the extent that the advice relates to the scope of services outlined above.

**Professional Fees and Payments**

[Option 1]

All professional fees for the services provided will be based on the time and skill required to complete the tasks, including out of pocket expenses and statutory charges.

<Our/my> professional fees are (subject to written notification of changes):

Principal $ <amount> per hour

Accountant $ <amount> per hour

Secretarial $ <amount> per hour

For work undertaken for a period of less than an hour, the rate shall be charged in 6 minute blocks or part thereof. All professional fees are GST inclusive.

[Option 2]

<Our/my> fees for performing the services will be $ <amount>, GST inclusive.

**Estimated Fee**

Fees are based on reasonable estimates and the actual cost may vary. It is not always possible to provide an accurate estimate of the total cost, which may change due to unforeseeable problems and delays, the cooperation of third parties and deficiencies in documentation. If costs are likely to be significantly higher than originally estimated, <we/I> will provide an additional letter of engagement setting out the reasons for any likely increase.

The estimated fee for the services agreed is $<XXX>, GST inclusive.

**Terms of Payment**

Unless other terms have been agreed to, *<*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 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> are 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.

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 professional accounting services in relation to <SMSF name>.

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 <Trustees/Directors> of the <SMSF name> of <postal address>, hereby acknowledge and accept the terms of this engagement. 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…………………………………………….………….