My QMS – Chapter 1: My Business Information

# Update Register

## Version 2 – 6th May 2025

* Addition of an **Update Register** – detailing any changes made to the document, including revised page numbers and a description of the updates. Editions will be uploaded and dated accordingly.
* Addition of “**Professional Bookkeeper**” – added on page 9.
* Addition of **Business Information Sheet – Record Keeping Obligations** added on page 29.

My QMS – Chapter 1: My Business Information

# My Business Information

**Client Onboarding & Engagement**

These templates ensure smooth onboarding and set the foundation for clear communication and mutual understanding with clients.

* + - **Disclosure Statement:**Outlining an agent’s adherence to regulatory requirements.
    - **Policy Statement:** Defines the business's commitment to professionalism, ethical standards, regulatory compliance, and a quality management system to ensure the integrity and accuracy of its bookkeeping and BAS services**.**
    - **Information for Clients (TPB)**: This informs clients about their rights and obligations under the TPB Code of Conduct.
    - **Engagement Letter**: Formalises the relationship, detailing the services provided, timelines, and fees.

**Service Delivery & Management**

Templates to facilitate ongoing management of client relationships and ensure high-quality service delivery.

* + - **Providing a Service** (Code of Conduct Evaluation): Assesses whether services provided align with professional conduct standards.
    - **New Client Information Sheet:** Collect and document key client information and service requirements to ensure consistent, accurate, and tailored bookkeeping service delivery.
    - **Record Keeping Checklist & Work Table:** This is a checklist for ensuring that all essential business, financial, and compliance records are accurately maintained, readily accessible, and meet regulatory and operational requirements.
    - **Checklist for Review of Client and Bookkeeper Engagement:** Assess client suitability, ensure ethical and professional standards are met, and document key risks and responsibilities**.**
    - **Client Verification Process**: Confirm the identity and authority of individuals and entities, ensuring client verification complies with legal and ethical standards before engagement.
    - **Data Integrity Review Guide:** This guide ensures that data remains accurate, consistent, and reliable, which is essential for maintaining compliance and making informed decisions**.**
    - **Client Consents –** [Authority](https://www.icb.org.au/s/Resources/Authority-to-Act-on-Clients-Behalf) to Act on Client’s Behalf. [Authority to Lodge](https://www.icb.org.au/s/Resources/Authority-to-Lodge): [Authority to Lodge SGC Statement](https://www.icb.org.au/s/Resources/Authority-to-Lodge-SGC-Statement). Ensures you have clear permission to act and lodge on the client’s behalf, supporting compliance and reducing risk.

**Workpapers**

* + - **Phone Call Meeting Notes**
    - **Meeting & Agenda Notes**
    - **Bookkeeper’s Task Report**
    - **Bookkeeper Client Meeting Pack**
    - **Accountant Checklist**

Chapter 1: My Business Information

# Client Onboarding & Engagement

## Tax Agent Services Act 2009 Disclosure Statement

**ICB Resource Link:** [**Tax Agents Services Act Disclosure Statement**](https://www.icb.org.au/cms/delivery/media/MCPL6MGFS6DNAYZBNUFCK7H775EU)

1. I/We are a registered BAS Agent and are required in order to provide BAS Services (including advice, interpretation, interactions with the ATO, and lodgement of forms in respect to GST, BAS, Payroll & Superannuation Guarantee). Any practitioner providing these services must be a registered BAS Agent or Tax Agent.
2. I/We are subject to the Code of Conduct prescribed in the [*Tax Agent Services Act 2009*](https://www.legislation.gov.au/C2009A00013/latest/text) and additional determinations. The Tax Practitioners Board (the board) are the regulator of Registered Agents. I/We are also required to adhere to the requirements of the ATO in our interactions with their Online Services and use of other relevant software.

**I/We advise as follows:**

I / We advise that to the best of our knowledge and based on all information known to us, we

* + - Have not had our registration suspended or terminated by the Board.
    - Are not and have not been an undischarged bankrupt or been put into external administration.
    - Have not been convicted of a serious taxation offence or an offence involving fraud or dishonesty.
    - Have not been sentenced to a term of imprisonment in Australia for 6 months or more.
    - Have not been otherwise penalised, subject to an injunction, or been subject to an order requiring disclosure.
    - Are not subject to any conditions upon our registration.
    - Do not engage with other TASA disqualified persons.

I/We are not aware of any matter that we have not otherwise discussed or presented to you that would significantly influence your decision to engage or continue to engage our services. If there is anything you would like to discuss, please contact us.

1. **Register of Tax Agents and BAS Agents**

The Board maintains a public register of Tax Agents and BAS Agents.

The register contains registration details of registered, suspended and deregistered Tax and BAS Agents.

The register is available at <https://www.tpb.gov.au/public-register>.

Guidance on how to use the register is available at <https://www.tpb.gov.au/help-using-tpb-register>

1. **Complaints**

We note that we hope that any concerns you may have with our service are able to be discussed with us first to ensure we are able to respond to any misunderstanding or any performance issues.

Complaints about the services you receive can be made directly to the Board.

Chapter 1: My Business Information

The Board’s complaints process is explained, and the online form is available at <https://www.tpb.gov.au/complaints>.

This information is required to be provided by [*TASA 2009 Sn 45(2*](https://www.legislation.gov.au/C2009A00013/latest/text)*)* and is required when an entity is considering engaging or re-engaging a registered Tax Agent or BAS Agent or upon request.

This information is true and correct at the time of making this statement. Any change to this information must be updated within 30 days of us becoming aware of any change matter.

1. **Statements Made to The ATO**

In our role of providing services to you, the law states:

We must not make a statement, prepare a statement, or permit an entity to make or prepare a statement to the commissioner that:

* 1. Is false, incorrect or misleading in a material particular.
  2. Omits anything that causes the statement to be misleading.

If, after making a statement, based on subsequent information, it is apparent that the statement is false or misleading in a material particular, then we should discuss any further information that indicates the statement is not, in fact, incorrect

If we have reasonable grounds to believe that the false or misleading nature of the statement resulted from:

* + - 1. Failure to take reasonable care in connection with the preparation or making of the statement; or
      2. Recklessness as to the operation of a taxation law; or
      3. Intentional disregard of a taxation law.

Then we must advise you:

That the statement should be corrected.

The possible consequences of not taking action to correct the statement.

Our responsibility to take further steps if required.

If the statement is not corrected, we may have to withdraw from providing any future services.

We also note that in the event that the statement is not corrected and the false or misleading statement has caused or will cause “substantial harm” to the interests of others, the law requires us to notify the ATO that a statement that has been made should be corrected.

This information is required to be provided by [*TASA 2009 Sn 45(2)*](https://www.legislation.gov.au/C2009A00013/latest/text) and is required when an entity is considering engaging or re-engaging a registered Tax Agent or BAS Agent or upon request.

This information is true and correct at the time of making this statement. Any change to this information must be updated within 30 days of us becoming aware of any change matter.

*(Agents should consider publishing their statement on website and also in information provided at a point of engagement or re-engagement.) Remove before sending to clients.*

Chapter 1 My Business Information

## Policy Statement

1. **ICB Resource link**: [Policy Statement Template](https://www.icb.org.au/cms/delivery/media/MCXLGDLCX7KBARZPJXO5LBA67AJE)
2. **In Our Business we:**

Uphold and adhere to being a “Professional Bookkeeper”.

Uphold and adhere to the requirement of the Institute of Certified Bookkeepers (ICB) Professional Code of Conduct.

Uphold and adhere to the requirements of the TASA2009 Code of Conduct for Registered BAS Agents (The Code).

Uphold and promote the ethical standards of the tax profession.

Comply with our personal and business tax and compliance obligations.

1. **To Achieve This in Our Business, we:**
   * + Have a Quality Management System.
     + Undertake at least 30 hours per year of Continuing Professional Education.
     + Provide training and resources to ensure we understand and apply the current business and compliance obligations for our clients.
     + Provide training and resources to ensure we understand and apply the Code.
     + Actively endorse, promote and require adherence to the Code.
     + Have a culture of transparency, accountability, ethical conduct and compliance with the Code and the tax laws.
2. **Our Quality Management System Includes Processes for:**
   * + Our approach to providing services.
     + Our approach to communication with Clients.
     + Review of work performed.
     + Supervision and control.
     + Record keeping in relation to services provided.
     + Recognition and required actions in relation to amending or correcting previous work, including any false or misleading statements to the ATO or other Government agency.

If there was ever an issue in relation to the performance of any of our team in relation to their performance including in relation to breaches of the Code:

* + - We have systems to enable team members to report concerns.
    - Our policy is to protect team members who raise any such concerns.
    - We have processes to manage and address any underperformance.
    - Appropriate records of actual or potential breaches of the Code are maintained.

Chapter 1: My Business Information

1. **Our Team Members:**
   * + Are supervised and reviewed as necessary to ensure quality of provision of services.
     + Are trained and enabled to be up to date with necessary skills and knowledge.
     + We ensure that any team member, person or entity providing services to you on our behalf has not been disqualified by the Tax Practitioners Board.
     + We have conducted police checks as required as an element of ensuring the team meet the requirements of being a fit and proper person.
     + Are remunerated in accordance with consideration of their skill, experience and adherence to the Code.

We specifically note that in accordance with the requirements of the Code we uphold the principles of Honesty & Integrity, Independence, Confidentiality and Competence. We take reasonable care in ascertaining a client’s state of affairs and in ensuring that taxation laws are applied correctly to your circumstances in relation to the statements we are making on your behalf or the advice we are providing to you. We will advise you of your rights and obligations under relevant taxation laws.

We also advise you of any matter that could significantly influence your decision in relation to our engagement for provision of services.

Please also refer to our Disclosure statement and Engagement Letter.

Chapter 1: My Business Information

## TPB Information Sheet: Fact Sheet for Clients

**TPB Resource Link:** [**Information for clients factsheet**](https://www.tpb.gov.au/sites/default/files/2024-12/Factsheet_Information%20for%20clients.pdf)

A page of a document

AI-generated content may be incorrect.

A close-up of a document

AI-generated content may be incorrect.

Chapter 1: My Business Information

# To Be a Professional Bookkeeper

**Understanding**

* An understanding of what “Professional Bookkeeping” is in Australia today.
* An understanding of what the respective business expects.

**Qualified**

* Obtained the required minimum formal qualifications as specified by Government and the professional associations.

**Experienced**

* An independent verification of the quality and quantity of experience held.

**Commitment to professional development**

* A commitment to education, learning and development of skills via continuing professional development.

**Resourced**

* Access to current information and assistance.
* Capacity to professionally provide service to business.
* Software understanding and techniques.

**Communicative**

* With your team.
* With the business.

**Insured/Protected**

* Appropriate Professional Indemnity Insurance is required in addition to other business insurances that should be in place.
* Required to protect the consumer in the event of an issue.
* Cybersecurity processes in place.

**Endorsed**

* A member of a professional body, committed to the requirements of the respective professional codes of conduct as an adherent to that membership, including:
  + Acts with honesty and integrity.
  + Acts in the best interest of their clients or employers.

**A professional bookkeeper in practice will be a Registered BAS Agent.**

Chapter 1: My Business Information

## Client Engagement Letter

**ICB Resource Link:** [**Client Engagement Letter**](https://www.icb.org.au/s/Resources/Engagement-Letter)

**Client Agreement Between**

***Client Engagement Letter Template (sole trader)***

**Edit, customise, and add information as relevant to your business and clients.**

**Delete this box before finalising the template**

Particular items to take care of:

* + - Remote vs onsite work.
    - How paperwork is handled – by post, Dropbox, Invitbox, etc.
    - Include brand and version of accounting software in use.
    - Utilisation of other workers by you, including overseas outsourced workers.
    - Frequency of invoicing.
    - Different fees for different services, e.g., training, lodgement, travel, preparation of management reports, etc.
    - Hourly/Monthly set fees.
    - Your payment terms.
    - Fee review.
    - Comments highlighted in yellow are changes required to the template for you to add to your own information and clear highlighting.
    - Changes to the Client Engagement Letter for 2024 recommended by ICB are highlighted in grey and clear highlighting.

|  |
| --- |
| **“My Bookkeeping Business”**  **Address:**  **ABN:** |

***and***

|  |
| --- |
| **Client Name:**  **Address:**  **ABN:** |

|  |  |
| --- | --- |
| Client Business Details |  |
| Directors/Partners names: |  |
| Agreed Liaison Person: |  |
| Contact number: |  |
| Email: |  |

Dear [Client Name],

Thank you for meeting with me on [Date]

As discussed and confirmed at our meeting, please review the following information outlining the agreed-upon scope of bookkeeping work.

**Our Approach**

My firm[Business Name] is a professional firm and I am a member of the Institute of Certified Bookkeepers. I am a registered BAS Agent, and accordingly, I have specifically included the requirements of the *Tax Agent Services Act 2009*.

Included for your attention the following documents:

* + - The Professional Bookkeeper.
    - [Business Name] Policy Statement, which includes:
      * + My adherence to the TASA2009 Code of Conduct.
        + My membership of the Institute of Certified Bookkeepers.
    - My Disclosure Statement
      * + Declaring the matters required by *TASA2009 (Code of Conduct)* Determination.

As a member of the Institute of Certified Bookkeepers (ICB), I:

* + - Am constantly kept up to date with new and updated laws and requirements.
    - Am able to access continuing professional education opportunities.
    - Have the required Professional Indemnity Insurance in relation to services I provide to you.
    - Have access to resources and support services as and when required.
    - Adhere to the ICB professional code of conduct.

**[My Bookkeeping Business] Responsibilities**

The bookkeeping/BAS services I provide to you will be performed by me at your office / at our office / a combination of at your business and also remotely.

I will be provided with / establish specific user access to your software and systems to enable my processing and the identification of the work performed.

I have detailed below our understanding of the services that I am required to perform for you.

**Bookkeeping Services**

* + - Entering and/or verifying the entry of customer and supplier invoices into accounting software (this includes verifying customer/supplier ABN and GST registration status).
    - Entering and/or verifying the entry of payments and receipts from bank and other electronic methods.
    - Emailing / communicating any queries related to the accounts for the period.
    - Ensuring the correct integration of different business systems into the accounting record (for example, point-of-sales systems or add-on solutions).
    - Reconciliation and/or verification of all bank, loan, and credit card accounts.
    - Reporting Balance Sheet, Profit and Loss and other reports as required.
    - Reporting outstanding debtors and creditors (if applicable).

**Payroll**

* + - Administer the employee onboarding system (TFN Dec., SuperChoice, Personal Details).
    - Setup employees in payroll system.
    - Prepare payroll weekly/fortnightly/monthly, including STP reporting to the ATO.
    - Email payslips to employees on completion of pay run upon the receipt of authority to email from [name of relevant person].
    - Monitor employee entitlements.
    - Advise you of Superannuation Guarantee obligations and arrange for payment and submission of Superannuation data.
    - Lodge Tax File Number declarations.
    - Review, advise and lodge PAYG Withholding and Superannuation guarantee obligations upon receipt of authority from [name of relevant person].
    - Reconcile End of Year wages & subsidiary accounts, including certifying WorkCover Rateable Remuneration, TPAR upon receipt of authority from [name of relevant person].
    - Report lodge STP Finalisation, including employee income statements, upon receipt of authority from [name of relevant person].
    - Finalise the payroll year (if applicable).

**BAS Services**

* + - Review and report on monthly/quarterly BAS.
    - Email reports and declarations to [name of relevant person].
    - Lodgement of BAS upon receipt of authority from [name of relevant person].
    - Monthly/Quarterly/Yearly GST reconciliation and relevant BAS adjustments.
    - Liaise with the accountant as to any end of month journals or adjustments.

**EOFY**

* + - Prepare and Review end of year reports.
    - Provide accountant with information as required for year end.
    - Liaise with the accountant as to any end of year journals or adjustments.
    - Ensure essential and required business records are maintained and stored for the financial year.
    - As applicable, execute new financial year processes.

**Other Services**

* + - Analysis and advice on Industry Award (access to HR specialists can be arranged for expert advice in this area).
    - Consulting/Training of staff in accounting software.
    - Budget planning.
    - Other: ……………

If additional work is required beyond the items listed above, then I require the scope of work required to be specifically outlined to me. I will confirm additional instructions in writing (email) before commencement of the work. If this work is outside my experience or competency, I shall discuss with you how to ensure the work is performed appropriately including seeking assistance from a person who holds the expertise.

**“Client/Business Owner” Responsibilities**

You will provide access to the relevant business records, as discussed.  
This may include paperwork relating to the transactions for the month or quarter.  
This may include:

* + - Ongoing access to the Business Software.
    - Bank statements (set up automatic bank feeds directly to accounting software).
    - Credit card statements.
    - Cheque books.
    - Receipts/invoices.
    - Bank deposit books or relevant bank transfer information.
    - Separate authorisations for payroll services.
    - Answers to queries as required.

**Please note:**

* + - Unless otherwise discussed and agreed upon, it is **your** responsibility as the business owners for the maintenance and accuracy of business records and availability of records either for my processing or for verification and provision to authorities if required.
    - I may request source documents for some items and process transactions based on the information provided by you, which does not necessarily include all source documents.
    - It is a requirement that you must hold copies of all relevant documentation in compliance with the ATO standards.
    - It is a requirement by the ATO that ABNs of suppliers be checked at least once a year to ensure that they are valid.
    - All relevant documentation and information required to allow me to prepare and produce financial reporting to comply with legislative requirements must be received 14 days prior to due lodgement dates. I will not be liable for any penalties incurred if documentation and information has not been provided.
    - A separate signed authority must be provided to me if I am engaged in making payments on your behalf.
    - A separate specific authority form must be provided to me for each lodgement of documentation with the ATO; I will provide this form to you before each lodgement.
    - You authorise me to contact your Tax Agent via email and phone as required:
      * + Tax Agent name:
        + Tax Agent phone/email:

### Terms of Engagement

**Service Fees**

|  |  |  |  |
| --- | --- | --- | --- |
| My fees are: | Bookkeeping Hourly Rate | $ | per hour, excluding GST |
| Consulting/Training Rate | $ | per hour, excluding GST |

OR

As discussed and agreed, my monthly/quarterly fee to you for the agreed services will be $XX.

This fee includes $XX for the provision of accounting software to you.

I shall discuss with you any intention to change the fee arrangement due to changes in the work required.

Work additional to the agreed services included in the monthly/quarterly fee will be charged at $XX per hour.

I will provide separate documentation to enable the monthly/quarterly direct debit/charging of the fee to your bank account/credit card.

* + - A monthly fee can only be determined after a minimum of 3 months of work has been performed to ensure the accuracy of the quote. This will be reviewed at least annually.
    - An invoice will be sent upon completion of work fortnightly/per calendar month/other arrangement.
    - Payment of that invoice is 7/14/other days net.
    - If payment is not made without prior arrangement by the due date, I may charge a 2% compound interest charge on the balance of the bill.
    - I reserve the right to stop work if you fail to make payment when and as it falls due.
    - Any debts beyond 30 days (unless a prior payment arrangement has been entered into) will be referred to eCollect (or other debt collection agency), and any costs associated with recovering such debts will be passed onto you.
    - I reserve the right to review fees for services rendered on a regular basis; any change in price will be notified in writing.
    - Either party can end this agreement by giving 30 days’ written notice of intention to end the agreement. In the event of termination of the contract by you without the agreed notice, you agree to pay $XX in lieu of notice. This period is required to allow a professional and complete handover of your accounts.

**Utilisation of Other Workers**

Employees or contractors may be utilised to help complete the agreed work as required.  
The Institute of Certified Bookkeepers Code of Conduct binds all representatives of [Bookkeeping Business Name], which is inclusive of confidentiality agreements as per the Terms of Engagement in this document. *The Tax Agent Services Act 2009* binds all registered agents in relation to maintain the confidentiality of their information.

My business has implemented a “caretaker” relationship with …………………………… ……………(caretaker name), who is also a registered BAS Agent. This is to ensure access to necessary information when or if required and continuity of communication with you in the event that something unforeseen has prevented my ongoing provision of services to you. My caretaker will, in the first instance, contact you to establish any future services to be provided.

**Confidentiality**

Any information and all matters connected with and relating to your business and its performance are confidential and I shall not disclose them to any other person/entity unless authorised to do so in writing or unless legally required. This includes the ATO and your accountant.

**Payroll Matters**

[My Bookkeeping Business] is engaged to establish the payroll systems based on the payroll information provided to me. I will implement and maintain the payroll based on this information. It is agreed that [My Bookkeeping Business] is not engaged to interpret and apply the Fair Work provisions to this business.

**OR**

[My Bookkeeping Business] is engaged to assist the business with all aspects of managing and administering the payments to all employees. I will ensure payments are in accordance with Fair Work and modern award requirements and will advise the business owners of any concerns or legislative changes that may impact the business. If the business is in breach of Fair Work provisions, I will immediately notify you and discuss this. I note that I will not continue my engagement with you if the business continues to be in breach of the law after receiving my information and advice. I am supported by legally reliable advice from HR experts [Employment Innovations (or another provider)].

**Communication**

You must keep me informed of your current business details, including address, phone, and email address. I am engaged and authorised to work with your business by the people named above, and any changes to your personnel and their respective authorisations that change the performance of my work for you should be advised to me. Any new or amended authorisations, as a result of personnel changes, must be updated, signed and given to me within 14 days of occurrence.

**Lodgement of Information with ATO**

A requirement of law is that you will be provided with a declaration/authorisation each time for lodgements required by the ATO, including Activity Statements, Superannuation Guarantee Charges and TPAR reports (if applicable). Lodgement of all forms will follow our receipt of that written authorisation. Email authorisation is acceptable.

If you wish to delegate authorisation to another person within the business, you must formally authorise that individual by clearly naming them below. Should the designated individual change, a new authorisation must be provided immediately.

**Delegated Authorisation:**

**Name of Authorised Person:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Position in Business:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Authorised by:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Signature of Authorised Person:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Failure to lodge on time can incur a fine, and this will be **your responsibility to pay** if the authorisation has not been received by me.

**Review of Documentation**

The responsibility for reviewing final reports and/or work rests with you.

You will not be charged to correct errors that are clearly my fault, but revisions performed at your request will be charged at the agreed hourly rate.

**Responsibility for Bookkeeping Records**

Responsibility for the maintenance of business records rests with you, [client/business owner]. This includes security of those records and prevention against fraud. It is important to remember that you are personally responsible for the information contained in any statutory return and that you must retain all necessary supporting documentation to substantiate the transactions.

As your advisor, I will question the nature of transactions that may require our review of the source documents. I will then discuss with you the impact of our review.

I have discussed and agreed on the requirement for business records, including primary source documents, to be retained by you. I have discussed your expectations as to my involvement in the verification that such records are accurate, correct and being maintained.

It is also important to state that as a BAS Agent/Bookkeeper, if I am advised in writing by yourself that you have copies of the invoices and the GST is applicable, I will process on the basis that you have the correct records.

Business documents are the legal property of yours the client.

**Responsibility of Backup of Accounting File and Other Supporting Documents**

I advise that the responsibility of backup maintenance of the accounting file and supporting documents rests with [client business name]. I will check that appropriate backups or retention of core accounting reports are taken at critical times of the financial year.

I will keep the records required to substantiate the reports and advice we provide to you. You should ensure all your business electronic data is backed up securely or that your provider has appropriate backup and security. My records of work and output provided does not replace your own (legally required) secure record keeping requirements.

**Ownership of the Accounting Software File**

If my license for Accounting Software is used for your business, a licence removal fee may be charged at the completion/termination of our bookkeeping services.

If you choose to discontinue our services, including the provision of software through me, I shall cease my licence to that software, noting that it is your responsibility to ensure you have retained the necessary business records that you are required to maintain.

If I have incurred subscription fees on your behalf in advance, then any early termination of this agreement may result in the balance of those subscription fees being paid to me.

Please be aware that many software companies include in their terms and conditions the right to access your data file for their use and information. By giving me access to your business data (whether through my subscription or your own) in [name of software company/add-on product], you also acknowledge that the terms and conditions of the software provider/s allow for their access to your data.

**Disclosure of Commission**

I am a professional partner of [software company/companies]. This allows me to be constantly updated about developments to their software, participate in specialised training and benefit from their loyalty program. As a partner of [\_\_\_\_\_\_\_\_], I receive a discount on monthly subscription fees OR I receive a payment per recommendation OR other arrangement (specify).

I retain any commissions or discounts received as part of my professional fees. OR I purchase subscriptions at a wholesale price and sell to our customers at recommended retail price. OR I pass this discount on to you and this is reflected in a subscription fee that is lower than the retail price.

**Destruction of Documents and Files**

Upon my request, either during our engagement or following its termination, you must collect your property without delay, which will be released to you once my accounts are paid. Should any of your property remain in my possession following my request to collect it, I will hold the property for three months before destroying it in accordance with the *Australian Consumer Law and Fair Trading Act 2012*.

**Standards**

**Register of Tax Agents and BAS Agents Register**

The Tax Practitioners Board maintains a public register of Tax Agents and BAS Agents.

The register contains registration details of registered, suspended and deregistered Tax and BAS Agents.

The register is available at <https://www.tpb.gov.au/public-register>

Guidance on how to use the register is available at <https://www.tpb.gov.au/help-using-tpb-register>

**Complaints**

I aim to provide the highest standard of professional service and are focused on the concerns of your business. If, for any reason, you feel you have not received the level of service expected or have an issue to raise, please contact me to discuss how the problem may be resolved. Complaints about the BAS services you receive can be made directly to the Tax Practitioners Board.

The Tax Practitioners Board’s complaints process is explained, and the online form is available at <https://www.tpb.gov.au/complaints>

Furthermore, as a member of the Institute for Certified Bookkeepers (ICB), I am subject to the ethical requirements of ICB and its investigations and disciplinary processes. These requirements cover issues such as code of conduct and ethics, adherence to bookkeeping standards and requirements to undertake continued professional education. Should there be an issue regarding the ethical or business practices of myself or my company, you may refer such matters to ICB.

Tax Agents Services Act Disclosure Statement

By law, I am required to disclose certain matters to you, which are advised in the attached Disclosure Statement.

**Working Standards**

When working onsite, I expect a reasonable working environment, which includes a safety-regulated chair, office space and non-smoking area.

**Cancellation Fee**

I reserve the right to charge a fee if our appointment is cancelled on the day. This will be $XX.

**Indemnity**

You agree to indemnify me for any loss that may result from third party claims arising from the provisions of the services. If there is a claim against us for loss, the loss will be proportionately reduced by the extent of your contribution to the loss.

**Phone Support**

A charge fee will apply when extended phone support is given.

**Right of Lien**

I have a right of lien on records and business data, that is, we reserve the right to hold records and data against any outstanding debts. Note this will only apply to records and data that has been worked on but for which payment is outstanding.

**Director or Personal Guarantee**

You agree to execute the Director’s Guarantee/Personal Guarantee that is attached to this engagement letter.

### Acceptance of Agreement

I hereby acknowledge and accept the terms of this engagement as set out in this agreement.

Alternatively, your acceptance of this engagement letter will be signified by the commencement or continuation of work in accordance with this letter or by any other conduct that indicates that you accept these terms.

|  |  |  |  |
| --- | --- | --- | --- |
| Signed: |  | Date: |  |

[Name]

|  |  |  |  |
| --- | --- | --- | --- |
| Signed: |  | Date: |  |

[Bookkeeping Business Owner Name]

|  |  |  |
| --- | --- | --- |
|  | Business owner signature | Bookkeeper/BAS Agent signature |
| Signed: |  |  |
| Name: |  |  |
| Job Title: |  |  |
| Date: |  |  |

### Client Agreement

**In My Business, I:**

* + - Uphold and adhere to being a “Professional Bookkeeper.”
    - Uphold and adhere to the requirements of the Institute of Certified Bookkeepers (ICB) Professional Code of Conduct.
    - Uphold and adhere to the requirements of the TASA2009 Code of Conduct for Registered BAS Agents (The Code).
    - Uphold and promote the ethical standards of the tax profession.
    - Comply with our personal and business tax and compliance obligations.

**To Achieve This, in Our Business, I:**

* + - Have a Quality Management System.
    - Undertake at least 90 hours over a 3 year period of Continuing Professional Education.
    - Provide training and resources to ensure we understand and apply the current business and compliance obligations for my clients.
    - Provide training and resources to ensure I understand and apply the Code.
    - Actively endorse, promote and require adherence to the Code.
    - Have a culture of transparency, accountability, ethical conduct and compliance with the Code and the tax laws.

**My Quality Management System Includes Processes for:**

* + - My approach to providing services.
    - My approach to communication with Clients.
    - Review of work performed.
    - Supervision and control.
    - Record keeping in relation to services provided.
    - Recognition and required actions in relation to amending or correcting previous work including any false or misleading statements to the ATO or other Government agency.

If there was ever an issue in relation to the performance of any of our team in relation to their performance including in relation to breaches of the Code:

* + - I have systems to enable team members to report concerns.
    - My policy is to protect team members who raise any such concerns.
    - I have processes to manage and address any underperformance.
    - Appropriate records of actual or potential breaches of the Code are maintained.

**My Team Members (if any):**

* + - Are supervised and reviewed as necessary to ensure the quality of provision of services.
    - Are trained and enabled to be up to date with necessary skills and knowledge.
    - I ensure that any team member, person or entity providing services to you on our behalf has not been disqualified by the Tax Practitioners Board.
    - I have conducted police checks as required as an element of ensuring the team meets the requirements of being a fit and proper person.
    - Are remunerated in accordance with consideration of their skill, experience and adherence to the Code.

I specifically note that in accordance with the requirements of the Code, I uphold the principles of Honesty & Integrity, Independence, Confidentiality and Competence. I take reasonable care in ascertaining a client’s state of affairs and in ensuring that taxation laws are applied correctly to your circumstances in relation to the statements I am making on your behalf or the advice I am providing to you. We will advise you of your rights and obligations under relevant taxation laws.

I also advise that we will bring to your attention any matter that could significantly influence your decision in relation to our engagement for provision of services.

Please also refer to my Disclosure Statement.

Chapter 1: My Business Information

# Service Delivery & Management

## Providing a Service

**In relation to all areas of dealing with a client, you must:**

* + - Act honestly and with integrity.
    - Act lawfully in the best interest of your client (generally).
    - Act lawfully in the best interest of your client over any personal interest you may have in that client or their business affairs (be and act independent).
    - Advise the client of their rights and obligations of the relevant tax laws that are materially related to the work you are doing.

In relation to the areas that you **have** been engaged to perform work, then you must:

* + - Have and provide competent service.
    - Have knowledge and skills.
    - Take reasonable care to ascertain/understand the clients relevant state of affairs.
    - Take reasonable care to ensure tax laws are applied correctly.
    - Advise the client of their rights and obligations of the relevant tax laws.
    - (Each of these aspects of the code are to be applied to the extent and with respect to the areas that you are providing BAS Services to the client).

You must not make a statement, prepare a statement, or permit an entity to make or prepare a statement to the commissioner that:

* + - Is false, incorrect or misleading in a material particular.
    - Omits anything that causes the statement to be misleading.

### Concepts Explained

1. **Act honestly and with integrity.**

Would a reasonable person assess that your actions were taken while you were acting honestly and with integrity?

1. **Act lawfully in the best interest of your client (generally).**

“Acting lawfully in the best interests” means you advise the client of the correct law, you assist the client in complying with the correct law, and you do not allow the client to make false claims because it suits them.

“Best interest” implies that they will not be subject to penalties, etc., for taking a certain action as that action was not lawful.

1. **Act lawfully in the best interest of your client over any personal interest you may have in that client or their business affairs**.

This deals with ensuring you act as though you are totally independent of any interest or outcome that your client may or may not achieve in the conduct of their business. You advise, act, perform your work, and report to the client without alteration because of any effect it may have on you.

1. **Advise the client of their rights and obligations of the relevant tax laws that are materially related to the work you are doing.**

If a client engages you, then we believe you have an obligation to advise that client, at least in general terms and in writing, of their rights and obligations to apply the relevant tax laws correctly.

You may not be engaged to advise or review an area, but as an Agent, provide a general advice sheet on the area of law and then confirm that you are not engaged to check that the application of law should meet your obligation.

1. **Have and provide competent service.**

Provision of competent service would rely on \*f) below “have the relevant knowledge and skills;” therefore, you would be able to use appropriate processes and techniques to effectively provide the correct service to the client. Do you have processes, template workpapers, and systems to ensure competent service? Do you have the relevant skills and knowledge to provide a competent service?

Have you recently undertaken any technical material review, industry information review, or ATO material review to ensure you are applying the correct laws competently?

1. **Have relevant knowledge and skills**.

How can you prove that your knowledge and skills are up to date? When did you last update your knowledge, either by yourself or via external training, to ensure you were current and understood all aspects of the area? Do you or one of your team have “expertise” in the area?

1. **Take reasonable care to ascertain/understand the clients' relevant state of affairs.**

Have you asked sufficient questions and “within reason” the right questions to understand the client, their business and the areas that you are being asked to advise on?

Would another external advisor look at what you did ask and the level of research or investigation you undertook and be satisfied that it was sufficient to then advise the client?

What is “reasonable” will vary from one set of client circumstances to the next set of client circumstances and will be based on the level of client knowledge, size of the business, and intricacy of the client business.

1. **Take reasonable care to ensure tax laws are applied correctly.**

Have you spent enough time considering the clients' affairs and the relevant aspects of tax laws in order to ensure everything has been considered?

Have you the processes to ensure all aspects of the tax law have been considered?

What is “reasonable” will vary from one set of client circumstances to the next set of client circumstances based on the level of client knowledge, size of the business, and intricacy of the client business.

Advise the client of their rights and obligations of the relevant tax laws. Provide information statements and guidance notes to the client that give them an understanding of what their obligations are. Noting the client should not be abdicating their obligations in total.

Chapter 1: My Business Information

## New Client Information Sheet

**ICB Resource link:** [**New Client Information Sheet**](https://www.icb.org.au/s/Resources/New-Client-Information-Sheet)

**Understanding the New Client Requirements**

|  |  |  |
| --- | --- | --- |
| Client Task List | Details | / |
| Client Details | | |
| Business Name |  |  |
| Business Owners / Directors |  |  |
| Type of Business / Industry |  |  |
| Contact Details | Main Contact: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Website: www.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |
| Accountant |  |  |
| Software Used Software Ownership | MYOB / Xero / Intuit / Reckon / Other \_\_\_\_\_\_\_\_\_\_\_\_ Purchases / Subscription |  |
| Bookkeeper Requirements | | |
| Frequency | Daily / Weekly / Monthly / Quarterly / Annually |  |
| Where | Remote / Onsite |  |
| Bookkeeper Tasks | | |
| Enter Sales Invoices | Weekly / Monthly |  |
| Enter Suppliers Invoices | Weekly / Monthly |  |
| Payroll | Frequency W/F/M and Number of Employees \_\_\_\_\_ |  |
| Timesheets | Yes / No |  |
| Inventory | Yes / No |  |
| Banking, Feeds, Reconciliations | No. Banks\_\_\_\_ / Credit Cards \_\_\_\_\_ / Other \_\_\_\_\_\_\_ |  |
| BAS Lodgement | Yes / No |  |
| Other |  |  |
| Client Registration Details | | |
| GST Registration | Cash / Accrual |  |
| BAS Lodgement Frequency | Monthly / Quarterly / Annually |  |
| PAYG Withholding Frequency | Monthly / Quarterly |  |
| PAYGI Instalment | Yes - Rate or Amount |  |
| Fringe Benefits Tax | Yes - Rate or Amount |  |
| Payroll Tax | Yes / No |  |
| Fuel Tax | Yes / No |  |
| TPAR | Yes / No |  |
| Client Requirements | | |
| Monthly Reports |  |  |
| Annual Reports |  |  |
| Additional Tasks |  |  |
| Other |  |  |
| Accountant Requirements | | |
| Reports |  |  |
| EOY |  |  |
| Other |  |  |
| Other Notes | | |
| Private % |  |  |
| Directors Drawings |  |  |
| Leases |  |  |
| Other |  |  |
|  |  |  |

Chapter 1: My Business Information

## Record Keeping Checklist

**ICB Resource Link:** [**Record Keeping Checklist**](https://www.icb.org.au/s/Resources/Record-Keeping-Checklist)

|  |  |  |
| --- | --- | --- |
| 1. Records | Format | Action Required |
| **Business Details** |  |  |
| Business name and structure |  |  |
| ABN |  |  |
| TFN |  |  |
| Contact information |  |  |
| **Financial Statements** |  |  |
| Profit and loss statements |  |  |
| Balance sheets |  |  |
| Cash flow statements |  |  |
| **Income Records** |  |  |
| Sales and revenue records |  |  |
| Interest income |  |  |
| Dividend income |  |  |
| **Expense Records** |  |  |
| Supplier invoices and receipts |  |  |
| Rent and lease payments |  |  |
| Utility bills |  |  |
| Employee expenses |  |  |
| **Payroll Records** |  |  |
| Employee details (full name, date of birth, address, phone number) |  |  |
| Date of commencement with employer |  |  |
| Tax file number |  |  |
| Applicable modern award or other instrument governing employee entitlements and conditions |  |  |
| Job classification and description |  |  |
| Employment contracts and individual flexibility arrangements |  |  |
| Employment basis (casual, part-time, or full-time) |  |  |
| Hours of work, rate of pay, allowances, loadings, and other applicable payment amounts |  |  |
| Timesheets and rosters |  |  |
| Payslips |  |  |
| Superannuation choice form |  |  |
| Termination records (type of termination, type of payments applicable, basis of calculations) |  |  |
| Fringe benefits provided |  |  |
| Leave entitlement records |  |  |
| **Bank Statements and Reconciliation** |  |  |
| Monthly bank statements |  |  |
| Bank reconciliation statements |  |  |
| Explanation for discrepancies |  |  |
| **End of Year Records** |  |  |
| Asset and vehicle purchase records |  |  |
| Debtors and creditors lists |  |  |
| Inventory and stocktake details |  |  |
| Depreciation schedules |  |  |
| Shares bought and sold |  |  |
| **GST Records** |  |  |
| GST collected on sales |  |  |
| GST paid on purchases |  |  |
| BAS preparation |  |  |
| **Other Records** |  |  |
| Fuel tax credits calculations |  |  |
| Capital gains tax records |  |  |
| BAS amendments |  |  |
| BAS lodged with ATO |  |  |
| Business sale or purchase contracts and related documents |  |  |
| Business registrations and licenses |  |  |
| Deduction documentation |  |  |
| Receipts and invoices for deductible expenses |  |  |
| Documentation for capital expenditures |  |  |
| **Software and System Records** |  |  |
| Details of accounting software used |  |  |
| System backups and security measures |  |  |

Chapter 1: My Business Information

## Your Work Table

Client: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Prepared by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Records that must be kept | Who | Where | Information Provided | Confirmed |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

Chapter 1: My Business Information

## Business Information Sheet - Record Keeping Obligations

Under tax law, if you are operating a business you are required to keep ALL records explaining declared income and expenses, (i.e., tax deductions), whether it is a $5,000 sale or a $2.00 deduction, the ATO want to see some form of proof and also they may seek out inconsistencies.

These inconsistencies may be seen in sales invoice numbering, cheque numbers, cost of goods to total sales margins, travel expenses, motor vehicle claims, and this list goes on. Don’t assume the ATO won’t look.

**The ATO states:** To claim GST credits, you must have a valid tax invoice for the goods and services that you purchase for your business. However, you can claim GST credits for business purchases you make up to $82.50 without holding a tax invoice as long as you keep records that support the claim (for example, cash register dockets or receipts).

You must have something to show proof of payment in order to claim an expense, even if it is less than $82.50.

**Format of Records**

* You may keep records in paper or digital format. The same criteria apply for both.
* The nature of the transaction must be clear.
* The document must be written in English and legible.
* The document can be easily accessed, printed or reproduced as needed.
* The documents are stored securely and are not altered or manipulated.

**How Long to Keep Records**

* **Business records** must be kept for a period of five years from the time your tax return is lodged.
* **Payroll records** must be kept for seven years after the end of the financial year.

**Records You Must Keep**

**Sales records including:**

* Sales invoices
* Sales vouchers or receipts
* Cash register tapes and daily reports
* Bank and credit card statements
* Point of sale system records

**Purchases records including:**

* Valid tax invoices
* Purchase receipts or proof of payment
* Cheque butts, bank and credit card statements
* Electronic transfer information
* Private usage workings

**End of year records including:**

* Asset and vehicle purchase records
* Debtors and creditors lists
* Inventory and Stocktake details
* Depreciation schedules
* Shares bought and sold

**Payroll records including:**

* Employee details including full name, date of birth, address, phone number, date of commencement with employer, tax file number
* Applicable modern award or other instrument governing employee entitlements and conditions, including job classification and description
* Employment contracts and individual flexibility arrangements
* Employment basis (casual, part-time or full-time), hours of work, rate of pay, allowances, loadings and other applicable payment amounts
* Timesheets and rosters
* Superannuation choice form
* Termination records—type of termination, type of payments applicable, basis of calculations
* Fringe benefits provided
* Leave entitlement records

**Other records such as:**

* Fuel tax credits calculations
* Capital gains tax records
* BAS amendments
* BAS lodged with ATO
* Business sale or purchase contracts and related documents
* Business registrations and licenses

1. **References**
2. [ATO – Record Keeping for Small Business](https://www.ato.gov.au/General/Other-languages/In-detail/Information-in-other-languages/Record-keeping-for-small-businesses/?page=1#What_the_law_requires)

[FairWork – Record Keeping](https://www.fairwork.gov.au/pay/pay-slips-and-record-keeping/record-keeping)

Chapter 1: My Business Information

## Checklist for Review of Client and Bookkeeper Engagement

**ICB Resource Link:** [**Review Professional and Ethical Considerations**](https://www.icb.org.au/s/Resources/Review-Professional-and-Ethical-Considerations)

Client Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Can You Do the Work?**

Engaging a new client involves understanding not only the client's needs but also whether you (the Bookkeeper/BAS Agent) can do the work and comply with professional standards and a code of conduct.

**The professional standards and code of conduct require the following:**

* + - A Bookkeeper/BAS agent should recognise any skills requiring improvement or business practices requiring management, initially and upon a periodic review.
    - You should have the relevant knowledge and skills to perform the work competently.
    - If you take on a new client, is there a conflict of interest with that client and your existing clients?
    - Honesty and integrity. As a professional, you need to act at all times truthfully and fairly and in the best interests of the client.
    - Currency of knowledge. Are you aware of changes to legislation or best practices?
    - Continuing professional development.
    - Taking reasonable care in applying tax laws to a client’s situation.

**Review Your Skills and Competency**

Taking on a new client is a good time to review your level of skill and competence relevant to the requirements of that new client. Do you need additional training before you can confidently look after this client? Do you need to gather more information on a technical area?

|  |  |  |
| --- | --- | --- |
| Knowledge or Skill | Areas to Upskill | ✔ |
| Software: MYOB/Xero/Reckon/Intuit/Other |  |  |
| Industry relevant information |  |  |
| Banking and bank feeds |  |  |
| Payables, bills, and payments |  |  |
| Receivables, invoicing and receipts |  |  |
| Payroll – STP, basic processes |  |  |
| Payroll – advanced processes, (e.g., terminations, shiftwork, allowances, salary sacrifice) |  |  |
| Payroll – Superannuation processes |  |  |
| Payroll – Workcover Insurance processes/reconciliation |  |  |
| Time-billing |  |  |
| Inventory |  |  |
| Debt collection |  |  |
| GST – basic process |  |  |
| GST – advanced process, (e.g., wine equalisation tax, overseas customs, LCT) |  |  |
| BAS reconciliation |  |  |
| BAS preparation and lodgement |  |  |
| BAS PAYGI, FBT, FTC |  |  |
| Reporting – TPAR, SGC EOFY processes (STP finalisation) and reconciliation |  |  |
| Use of BAS portal and/or SBR provider |  |  |

**Conflict of Interest**

Do you or anyone in your Bookkeeping business have any form of connection with any person in the client’s business?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Our person |  | Their person |  | Connection |
|  |  |  |  |  |
|  |  |  |  |  |

|  |  |
| --- | --- |
| Conflict of Interest Review | ✔ |
| Is the business owner aware of the connection? |  |
| Has the business owner specifically consented to you continuing to act for them despite this connection? (this needs to be confirmed in writing) |  |
| Note potential problems or conflicts. |  |
| Note processes and procedures to deal with the situation. |  |
| File a copy of information provided to owner and any relevant notes about discussions. |  |
| Do you have a social relationship with the client? If so, are you both clear about keeping business and personal matters separate? |  |

**Is Your Honesty and Integrity Being Upheld?**

Professional integrity means choosing to act with consistency, truthfulness and reliability to uphold professional and ethical values. There should be congruence between your actions, your values and your professional requirements.

|  |  |
| --- | --- |
| Honesty and Integrity Review | ✔ |
| Has the client asked you to claim personal expenses as business expenses? |  |
| Has the business owner asked you to ignore cash takings? |  |
| Has the owner asked you to claim GST even after you have informed them it is not applicable? |  |
| Has the client asked you to lodge a BAS or other form that you know to be incorrect? |  |
| Have you ever assisted a client to avoid or breach their legal requirements? |  |
| Do you always act lawfully in the best interests of the client? |  |
| Have you advised the owner of their general obligations in complying with the relevant law? |  |
| Have you provided general technical information to the client about areas relevant to their business? |  |
| Have you ever recommended products or people specifically to the client without disclosing a commission you receive? |  |
| Have you ever withheld business property or data in exchange for payment from the owner? |  |
| Do you have access to bank accounts and make payments on behalf of the business owner? If so, is there a process in place for the owner to verify and authorise payments? |  |

**Money Held in Trust**

While it is not common for BAS agents to hold money in trust for clients, it does happen, and the general principles apply to any money handling you may do on behalf of a client.

|  |  |
| --- | --- |
| Money Held in Trust Review | ✔ |
| Do you receive money in trust for this client? |  |
| Do you have specific authority from the client to do this? |  |
| Is it held in a separate bank account? |  |
| Do you pass it on to the client within 14 days of receipt? |  |
| Do you account for it clearly, allocating it to a liability account that is separate from your other accounts? |  |
| Is the money ever used for other purposes? |  |

Chapter 1: My Business Information

## Client Verification Process

ICB Resource Link: [Client Verification Process Template](https://www.icb.org.au/cms/delivery/media/MC3MPO2TQ7WNG7LNMCQIUHTVWCVI)

**Attach client identity information sheet (if completed)**

**Individuals (for their personal matters or as representatives of an entity or other person)**

This is to verify the identity of the person who is instructing you.

Name:

Date of Birth:

ABN (if applicable):

Private Residence:

Contact Mobile phone number:

Email:

**A: One Document (with photo) provided for review:**

[ ] Drivers Licence, or

[ ] Passport, or

[ ] Government issued card with identity shown

***NOTE: Neither the Document or any copy should be taken or retained, the requirement is to review and note that you are satisfied that it matches the person.***

[ ] Photo does / does not match person

or

**B: (If no photo evidence)**

[ ] Australian full birth certificate or Australian citizenship certificate and

**One of**

[ ] ATO Assessment notice (last years)

[ ] Medicare card

[ ] Recent Bank Statement

**Verification Process**

[ ] Names consistent

[ ] Address consistent

[ ] All evidence consistent

**[ ] Satisfied that the person’s identity has been verified**

**Entity details / (represented person details)**

Name:

ABN:

Registered Address:

Business Premises (if different):

Website url:

Business phone number:

Responsible Persons (Directors / Owners):

Responsible Person contact detail: Phone: Email:

What proof of “Authorisation” has been provided by the individual:

[ ] Signed authorisation from Responsible person and the Representative

[ ] Other

**Verification Process**

[ ] ABN matches name

[ ] Address consistent

[ ] website URL provides consistent information

[ ] Email address valid

[ ] All evidence consistent

**NEW client for ATO purposes**

When being appointed as Agent for ATO purposes, Following the “Add Client” you should check the details of information provided against the ATO records. If different you should query the provider of the information.

[ ] ATO information matches that provided

If the provider is requesting a change to the bank account details and lodgment of forms to generate refunds obtain further evidence that the Bank Account details belong to the person/entity.

[ ] Bank Statement obtained with matching name and bank account details.

[ ] Bank details match ATO records

**[ ] Satisfied that the person legitimately represents the entity**

**[ ] Satisfied that the entity identification has been verified**

Signed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chapter 1: My Business Information

## Data Integrity Review Guide

**ICB Resource Link:** [**Data Integrity Review Guide Checklist**](https://www.icb.org.au/s/Resources/Data-Integrity-Review-Guide-Checklist)

This Data Integrity Review Guide is designed to be used by Bookkeepers at defined intervals (possibly quarterly or half yearly) throughout the term of an engagement with a client or Business owner. *Note: Not all questions are relevant – complete as appropriate****.***

|  |  |  |
| --- | --- | --- |
| Review | Questions and Details | ü |
| **File Maintenance** |  |  |
| **Computers** | Network type: *Standalone / Peer to Peer / TS / Internet / N/A*  File location:  **Backup regime**  Platform: *Cloud Service / Tape / USB Device / Disc (CD/DVD) / External Storage / Portable Drive*  Timing: *Weekly / Monthly / Quarterly / Annual / Automatic*  Details: |  |
| **User Access** | How many users have access (internal/remote/online)?  Are unique passwords mandatory?  Has 2FA security been implemented?  Who has Administrator access and passwords?  Create specific ***user*** for bookkeeper.  **Review and report all listed users in a register.**  The register could include columns for:   * + - Administrator details     - Bookkeeper details     - List of current users     - List of users still listed but no longer working for the entity etc.   Preferably, each user of the file would have their own personal login and password and be required to use 2FA security. |  |
| **File Review** | Perform a review for subscription and general status (if applicable).  **Check** File location (local or cloud):  **Check** Financial reporting year:  **Check** Payroll year:  **Check** File size:  **Check** Number of users:  **Check** Number of employees:  **Check** Last backup date:  **Check** Payroll setup for STP2, tax rates and awards up to date: |  |
| **Linked Accounts** | **Check** Accounts used for linked accounts for:   * + - Banks – Electronic clearing, undeposited funds     - Sales – Customer deposit, receivables, discounts, freight     - Purchases – Supplier deposit, payables, discounts, freight     - Payroll – Wages, superannuation, cash, electronic payment     - GST |  |
| **Add-ons** | **Detail all add-ons that interact with accounting software.**  The add-on (API) register could include columns for:   * + - Name of add-on     - Supplier     - When it was last updated     - Method of connection     - Other notes to ensure effective operation |  |
| **Preferences** | **Check** Preferences:   * + - System – Links to other programs, jobs assigned, time defaults     - Windows – Use of to-do lists, spelling checks     - Reporting – Ageing and default forms     - Banking – Flag for contact log on/off     - Sales – Default print options, retain flags and credit limit     - Purchases – Default print options, warn for ABN and retain flags     - Inventory – If standard cost is used     - Security – Transactions can be changed, locked periods, integrate with payment gateways and backup and session reports prompts.     - GST Status – Cash or Accrual   *\*Consider screenshot or report from the program to provide the status of all preferences and setup as prescribed.* |  |
| **Recurring/​Memorised/​Rules Transactions** | **Check** Recurring/Memorised/​Bank feed rules transactions:   * + - Tells the story of direct debits, bank loans and financed loans.     - **Review** Frequency, alerts, and transaction ID. |  |
| **General Journals** | **Check** if general journals are used:   * + - If ***yes***, check the journals used.     - If ***no***, suggest use for private % split monthly. |  |
| **Card Maintenance** |  |  |
| **Cards Review** | **Check** for duplicate cards.  **Review** Client’s use of *customer*, *supplier*, and *employee* card fields.  **Review** Client’s use of *customer*, *supplier*, and *employee* custom lists.  **Review** Customer selling details (sale layout, income account, receipt memo, salesperson, shipping method, credit limit and hold).  **Review** Supplier buying details (purchase layout, expense account, purchase comment, shipping method). |  |
| **Terms** | **Review** Customer terms used and ensure default is correct (discuss with the client their terms for customers).  **Review** Supplier terms used and ensure default is correct (check terms with supplier statements). |  |
| **Account Maintenance** |  |  |
| **Chart** | **Check** Comparison of *chart* to *accountants’ financials*.  **Check** Chart for obsolete accounts.  **Check** Accounts named *“Sundry”* or *“Other”* etc. for renaming or reallocation.  **Check** Headings and subtotals. |  |
| **GST Tax Codes Assigned** | **Check** Tax codes assigned to accounts.  **Check** Tax codes assigned to correct activity statement reporting. |  |
| **Account Balances** | **Check** Balances are the same for last tax return lodged from the accountant.  **Check** Bank feeds transactions are clear or assigned.  **Check** Bank accounts – last date reconciled (Including bank loans).  **Check** Bank accounts – unreconciled transactions.  **Check** PayPal, EFTPOS, AMEX accounts values.  **Check** Electronic clearing accounts – zero balance or valid amount.  **Check** Trade debtors = Receivables summary report.  **Check** Trade creditors = Payables summary report.  **Check** Stock on hand = Inventory summary report.  **Check** Credit cards – last reconciled. |  |
| **Loans** | **Check** Finance loans – e.g., hire purchase on cars:   * + - **Review** Finance documents, check GST and create recurring.   **Check** Other loans – Directors loans with private expenses used by the owner and check *no GST* used on personal expenses. |  |
| **Sales** |  |  |
| **Receivables** | **Check** Outstanding debtors:   * + - **Display** Receivables reconciliation [summary] report and review # days outstanding invoices.     - **Review** any old/bad debts, and check whether write-offs are required.     - **Review** Credits – Should credits be applied to current sales, or cleared as they are incorrect? |  |
| **Sales Orders/​Layby and Gift Voucher Payments** | **Check** Outstanding sales orders:   * + - Ensure they are current.     - If old orders with balances, move to an invoice at current date (discuss with client).     - Check ***paid*** orders – Customer deposits liability balance matches outstanding customer orders payments.   **Check** Laybys and gift vouchers payments:   * + - Ensure they are current.     - Ensure they marry to register or report of POS systems. |  |
| **Customer Statements** | **Check** Frequency of producing statements.  **Check** Layout of statement – invoice or activity. |  |
| **Purchases** |  |  |
| **Payables** | **Check** Outstanding creditors:   * + - **Display** Payables reconciliation [summary] report and review # days outstanding invoices.     - **Review** any old amounts, check whether any outstanding amounts should be credited.     - **Review** Returns and debits – should credits be applied to current sales, or cleared as they are incorrect?   **Check** Process for review supplier statements.  **Review** Clients credit application.  **Review** Payment authorisation process – who makes payments? |  |
| **Purchase Orders** | **Check** Outstanding purchase orders:   * + - Ensure they are current.     - If old orders with balances, move to an invoice at current date (discuss with client).     - Check ***paid*** orders – Supplier deposit asset balance. |  |
| **Inventory** |  |  |
| **Stock Setup** | **Check** Which stock system is used – Perpetual or physical stock system? |  |
| **Stock Balances** | **Check** Stock value and average/fixed/fifo (first in, first out) on stock items.  **Check** Stock items structure/reporting.  **Check** Receipts of stock without a bill. |  |
| **Stock Maintenance** | **Check** Operation of maintaining stock levels and distribution.  **Check** Frequency of stocktake.  **Review** Stock turnover. (Stale stock?) |  |
| **Payroll** |  |  |
| **Employees Setup** | **Check** Employee cards:   * + - **Review** Employee details, start date, and notes.     - **Review** Standard pays, timesheets, or status.     - **Review** Employees tax scales and check Tax File Number Declarations have been completed.     - **Ensure** Tax File Numbers are entered, addresses and termination dates (if applicable).     - Superannuation fund information, including fund USI’s.   **Review** Employees payment method and cycle.  **Review** Employees hard copy documents. |  |
| **Payroll Setup** | **Check** General payroll information:   * + - Confirm STP2 is set up correctly.     - Confirm the current payroll year, normal hours worked per week, tax table revision date, rounding cents and superannuation fund default.   **Check** Payroll categories:   * + - Display the Payroll Categories [Payroll Summary]. Report to determine what payroll categories the client uses. Check and review the setup of each. Pay special attention to post- and pre-tax treatment.   **Check** Deductions used and ensure correct tax treatment.  **Check** Salary sacrifice (non-super) is used and review liability accounts. |  |
| **Entitlements** | **Check** Calculating correctly:   * + - Holiday leave entitlement should be linked to holiday pay.     - Personal leave entitlement should be linked to personal/sick pay.     - Long Service leave accrual entitlement should be linked to Long Service Leave pay.     - Other paid leave entitlements should be linked to Other Paid Leave.   **Check** Setup to ensure hours are correctly accrued in line with the employee’s contract/award.  **Review** Lifetime balances report and note any leave balances that look unusual, e.g., negative balances. |  |
| **Superannuation** | **Check** Superannuation correctly applied to payroll categories.  **Check** SG category (Superannuation Guarantee Expenses):   * + - Ensure % rate is correct.     - **Review** exempts by clicking on exempt button to see which items are excluded from SG and ensure super is paid in accordance with SG requirements.     - **Review** Pay cheque transactions to ensure super is calculating correctly.     - **Review** Whether the client pays superannuation monthly or quarterly.   **Check** if *salary sacrifice superannuation* is used:   * + - Check setup of salary sacrifice under superannuation tab.     - Ensure PAYG is exempt.     - Check SG % calculation on salary sacrifice.   **Check** Unpaid superannuation:   * + - Check business owner’s knowledge of unpaid superannuation.     - Check if SGC Charge Statement has been lodged. |  |
| **Reconciliations** | **Print** Payroll Register Summary to date to:   * + - **Check** Payroll gross wages = Wages and salaries expense.     - **Check** PAYG Withholding Liability and ensure threshold of $25000 per quarter.     - **Check** Superannuation Liability ensuring the last payment cleared Liability a/c. |  |
| **GST** |  |  |
| **BAS** | **Check** setup for:   * + - GST Cash or Accrual and frequency (monthly/quarterly/annual)     - PAYGI %     - PAYGW frequency     - Fuel Tax     - Fringe Benefits |  |
| **Review BAS Lodged** | **Check** BAS’s Lodged for current year using:   * + - GST Summary (review any QUE codes)     - Payroll Summary     - Profit and Loss linked to T1   **Check** BAS payments have been entered correctly:   * + - GST payment to GST collected and paid     - PAYGW to PAYG Withholding Liability     - PAYGI to provision for income tax     - Fuel tax credit   **Check** rounding account used.  **Note** how BAS is lodged: In Software / ATO / Other  **Review** Authorisation process for BAS lodgement:   * + - What is the agreed declaration process? |  |
| **Reporting/​Forms** |  |  |
| **Standard Reports** | **Check** Custom/Standard reports setup:   * + - Reports required each month.     - What format – emailed or printed?   **Check** Custom forms used. |  |
| **Management Procedures** | **Are there policies & procedures in place regarding Bookkeeping that relate to:**   * + - Customer service     - Sales practices and sales policies     - Marketing & promotion     - Staff training     - Performance reviews     - Energy efficiency / environmental considerations     - Management responsibilities     - Record keeping / privacy / money management     - Technology (rules around staff internet usage & mobile phones) |  |
| **Cyber Security** | **Check** Has business implemented multi factor authentication to protect sensitive and business information along with other recommendations of the Australian Cyber Security Centre and their “Essential Eight” for Business ([cyber.gov.au](https://www.cyber.gov.au/))?  Who reports a suspected cyber security breach? |  |
| **Risk Management Plan** | **Check** Has a risk analysis been completed:   * + - Are there any identified risks or hazards?     - Have these risks been evaluated for impact to the business? |  |

Chapter 1: My Business Information

## Client Consents

### Authority to Act on Clients Behalf

**Link to ICB Resource:** [**Authority to Act on Clients Behalf**](https://www.icb.org.au/s/Resources/Authority-to-Act-on-Clients-Behalf)

**AUTHORITY for BAS Agent** (named below) to act on behalf of the Client (named below) in respect to the Client’s dealings with the Australian Taxation Office (ATO).

This authority extends to all areas agreed between the Client and the BAS Agent, which the BAS Agent is permitted to undertake by law, including but not limited to:

* + - Adding the Client to the Client List of the BAS Agent with the ATO Online Services lodgement facility.
    - Adding the Client to the Client List of the BAS Agent on the ATO Online Services for BAS Agents (OSfA).
    - Representing the Client in their dealings with the Commissioner in relation to a BAS provision.
    - Preparing and lodging Activity Statements.
    - Having access to activity statements and related information that may be provided via access to OSfA.

**Client Details**

|  |  |
| --- | --- |
| Type of Business:  Individual / Trust / Partnership / Company: |  |
| Name: |  |
| Individual’s date of birth: |  |
| Australian Business Number (ABN): |  |
| Tax File Number (if applicable): |  |
| Contact phone number: |  |
| Business address: |  |
| Home address: |  |

**BAS Agents Details**

|  |  |
| --- | --- |
| BAS Agent Name  (Company or trading name): |  |
| Primary authorised individual of BAS Agent: |  |
| BAS Agent registration number: |  |
| Contact name: |  |
| Contact phone number: |  |

**Client’s Authorisation**

I hereby provide the above authorisation until revoked in writing. I am authorised to make this declaration.

|  |  |
| --- | --- |
| Signed: |  |
| Name: |  |
| Capacity: | Self / Director / CEO / Partner |
| Date: |  |

**BAS Agent Consent**

I declare I am authorised under the TASA2009 to act as or for a registered BAS Agent and am able and permitted to provide the above services:

|  |  |
| --- | --- |
| Signed: |  |
| Name: |  |
| Capacity: | Self / Director / CEO / Partner |
| Date: |  |

Chapter 1: My Business Information

### Authority to Lodge

Link to ICB Resource: [Authority to Lodge](https://www.icb.org.au/s/Resources/Authority-to-Lodge)

**BAS Agent - Authority to Lodge Electronically**

A requirement of each registered Agent is to create and retain proof of the agents authority to electronically lodge each and every Activity Statement.

This includes signed authority by a client to lodge with the tax office in any form but especially in relation to BAS Agent Portal or ECI access. (It also applies to ELS lodgement software.)

The ATO states this requirement in its online services guides and alluded to it in other places, including the BAS Agent Induction kit. The template below is designed to provide the authority and protection for the BAS Agent.

We have resourced the requirements and information needed to adhere to the law and provide the benefits of the law to both taxpayers and BAS Agents and created this template for ICB Members. We believe this template meets the needs of the ATO and also provides you with adequate proof of your authority to act if you are ever questioned.

* + - We note that the authority must be signed by the taxpayer and you as the Agent.
    - We note that this authority to lodge for a client should be retained by you, for at least 5 years but we suggest seven (7) years after the end of the financial year during which the activity statement was lodged i.e., if you lodge the statement in October 2015, you should not destroy this authority to act until after July 2023.
    - We note the ATO does not require, nor does it want, you to lodge this form with them in any format – you will just need to produce it if asked.

1. **Signature or Email?**

We absolutely recommend that you obtain a signed copy of this authority. Certainly, you could scan it and retain it electronically but get the signature. In urgent cases, an email exchange may get you over the line initially, but we recommend that you follow the urgent email with signed declarations.

Declaration for an Activity Statement being lodged by the BAS Agent (named below).

This declaration is to be used if an entity chooses to use a third party to return an Activity Statement to the ATO. The entity and the agent are responsible for retaining this declaration for five years after it is made.

1. **Privacy**
   * + The information collected on the Activity Statement is authorised by the following laws:
     + A New Tax System *(Australian Business Number) Act 1999*
     + A New Tax System *(Goods and Service Tax) Act 1999*
     + A New Tax System *(Goods and Service Tax Transition) Act 1999*
     + A New Tax System *(Luxury Car Tax) Act 1999*
     + A New Tax System (Wine Equalisation Tax) Act 1999
     + A New Tax System (*Wine Equalisation Tax and Luxury Car Tax Transition) Act 1999*
     + *Income Tax Assessment Act 1936*
     + *Income Tax Assessment Act 1997*
     + *Taxation Administration Act 1953*
     + *Fringe Benefits Tax Assessment Act 1986*
     + This information will help the ATO to administer the taxation laws. It may be passed on only to third parties authorised by law to receive it. For example, information can be provided regularly to Commonwealth agencies such as
     + Law enforcement agencies, e.g. the National Crime Authority and Australian Federal Police
     + Benefit payment agencies e.g. the Health Insurance Commission and Centrelink
     + Other agencies authorised by law to receive it, e.g. the Australian Bureau of Statistics Information, may also be provided regularly to State, Territory and local government agencies such as law enforcement agencies, benefit payment agencies and Revenue Offices carrying out functions under a taxation law

#### Activity Statement Details

Entity Name:

ABN:

BAS for period commencing \_\_/\_\_/\_\_ to \_\_/\_\_/\_\_

1. **Entity's Declaration**

I declare that:

* + - The information provided to the BAS Agent for the preparation of the activity statement is true and correct.
    - To the best of my knowledge, all relevant information has been provided to the BAS Agent.
    - That we have valid tax invoices for all amounts of GST Input Tax Credits being claimed in this Activity Statement, and that

I am authorised to make this declaration. I authorise the BAS Agent to give this activity statement to the Commissioner of Taxation.

Signed:

Name:

Capacity: (Self / Director / CEO / Partner)

Date: \_\_/\_\_/\_\_

1. **BAS Agent Details**

I declare that:

* + - I have prepared this activity statement in accordance with the information supplied by the entity.
    - I have received a declaration made by the entity that the information provided to me for the preparation of this activity statement is true and correct.
    - I am authorised by the entity to give the information in this activity statement to the Commissioner.

Signed:

Name:

Capacity: (Self / Director / CEO / Partner)

Date: \_\_/\_\_/\_\_

BAS Agent Name (Company or Trading Name):

BAS Agent Number:

Contact Name:

Contact Phone Number:

#### From the ATO Website

What records do I have to keep showing that I have the authority to lodge a client’s activity statement? Your clients must provide you with a written and signed declaration for each activity statement you plan to lodge on their behalf. The declaration must be made before the activity statement is lodged.

The declaration must state that:

* + - The information provided for the preparation of the document is true and correct
    - You (the BAS Agent) are authorised to give the document to the Commissioner, and the person providing the information is authorised to do so

There is no set format for the declaration, but it must also include the:

* + - Name of the client and the entity they represent.
    - Date.
    - Name of the person lodging the activity statement.
    - Period to which the declaration relates.

1. **Example of a Declaration**

I, (name of client), authorise (name of BAS Agent) to give the (period [e.g.] March 2016 quarterly) activity statement to the Commissioner of Taxation for (entity name).

I declare that the information provided for the preparation of this activity statement is true and correct.

I am authorised to make this declaration.

Signed: (Name of client making the declaration)

Date: \_\_/\_\_/\_\_

The client can make the declaration to a BAS Agent via email, paper or facsimile transmission. The client is required to retain these declarations for five (5) years after the declaration is made or two (2) years after the declaration is made if the client is a shorter period of review (SPOR) taxpayer. The client must produce the declaration (or a copy) to the Commissioner if requested to do so within those periods.

It is recommended that the BAS agent also keep a copy for their records. The declaration made by the client serves as protection for the BAS Agent in the event of any dispute about the information provided in the activity statement.

Chapter 1: My Business Information

### Authority to Lodge SGC Statement

**Link to ICB Resource:** [**Authority to Lodge SGC Statement**](https://www.icb.org.au/s/Resources/Authority-to-Lodge-SGC-Statement)

A requirement of each registered Agent is to create and retain proof of the authority to electronically lodge any ATO form on behalf of a client, including the Superannuation Guarantee Charge Statement.

This includes signed authority by a client authorising you to lodge with the tax office in any form, but especially in relation to the BAS Agent Portal, ECI, and SBR software.

The ATO states this requirement in its online services guide and alludes to it in other places, including the BAS Agent Induction Kit. ([Refer here for extract from ATO website](https://www.icb.org.au/s/Resources/Authority-to-Lodge-SGC-Statement#two).)

We have resourced the requirements and information needed to adhere to the law and provide the benefits of the law to both taxpayer and BAS Agent and created this template for ICB Members. We believe this template meets the needs of the ATO and also provides you with adequate proof of your authority to act if you are ever questioned. The [template in this resource](https://www.icb.org.au/s/Resources/Authority-to-Lodge-SGC-Statement#three) is all that needs to go out to your client.

This authority must be signed by the client and you as the agent.

We note that you should retain this authority to lodge for a client for at least five (5) years, but we suggest seven (7) years after the end of the financial year during which the SGC Statement was lodged. For example, if you lodge the statement in July 2015, you should not destroy this authority to act until after July 2023.

The ATO does not require or want you to lodge this form with them in any format—you will just need to produce it if asked.

1. **Signature or Email?**

We absolutely recommend that you obtain a signed copy of this authority. You could scan it and retain it electronically, but get the signature. In urgent cases, an email exchange may get you over the line initially, but we recommend that you follow the urgent email with signed declarations.

**Parts 1 and 2 of this resource are for your information.**

**Part 3 is the only part you need to give the client to sign.**

#### Extract from the ATO

**What records do I have to keep showing that I have the authority to lodge on a client’s behalf?**

Your clients must provide you with a written and signed declaration for each statement you plan to lodge on their behalf. The declaration must be made before the statement is lodged.

The declaration must state that:

The information provided for the preparation of the document is true and correct, and  
You (the BAS Agent) are authorised to give the document to the Commissioner, and the person providing the information is authorised to do so.

There is no set format for the declaration, but it must also include the:

* + - Name of the client and the entity they represent  
      date.
    - Name of the person lodging the activity statement, and
    - Period to which the declaration relates.

#### Example of a Declaration

1. I, (name of client) authorise (name of BAS agent) to give the (period (e.g., March 06 quarterly) SGC statement to the Commissioner of Taxation for (entity name).
2. I declare that the information provided for the preparation of this SGC statement is true and correct.
3. I am authorised to make this declaration.
4. Signed: (Name of client making the declaration)
5. Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The client can make the declaration to a BAS agent via email, paper or facsimile transmission.

The client is required to retain these declarations for five (5) years after the declaration is made, or two (2) years after the declaration is made if the client is a shorter period of review (SPOR) taxpayer. The client must produce the declaration (or a copy) to the Commissioner if requested to do so within those periods.

It is recommended that the BAS agent also keep a copy for their records. The declaration made by the client serves as protection for the BAS agent in the event of any dispute about the information provided in the activity statement.

The template we have provided is based on requirements stated by the ATO at

<http://www.ato.gov.au/Forms/Activity-statement-declaration/>

#### Authority to Lodge Electronically

I, (*name of client)*authorise *(name of BAS service provider)* to give the *(period (eg,2011 -2012)* Superannuation Guarantee Charge Statement to the Commissioner of Taxation for *(entity name).*

I declare that the information provided for the preparation of this statement is true and correct.

I am authorised to make this declaration

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*(Name of client making the declaration)*

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chapter 1: My Business Information

### Authority To Lodge Electronically

**SUPERANNUATION GUARANTEE CHARGE STATEMENT**

**Client Details:**

Entity Name:

Entity ABN:

Period of Statement:                    /          /            to           /          /

**Entity’s Declaration**

I declare that:

* + - The information provided to the BAS Agent for the preparation of the Superannuation Guarantee Charge Statement is true and correct
    - To the best of my knowledge, all relevant information has been provided to the BAS Agent

I am authorised to make this declaration.

I authorise the BAS Agent to lodge this Statement with the Commissioner of Taxation.

Signed\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_                        Name:

Capacity:  (Self  /  Director  /  CEO  /  Partner)          Date:

**BAS Agents Details:**

I declare that:

* I have prepared this Superannuation Guarantee Charge Statement in accordance with the information supplied by the entity
* I have received a declaration made by the entity that the information provided to me for the preparation of this Statement is true and correct

I am authorised by the entity to give the information in this Statement to the Commissioner.

Signed\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_                         Name:

Capacity:  (Self  /  Director  /  CEO  /  Partner)         Date:

BAS Agent Name (Company or trading name):

Contact Name:

BAS Agent Number:

Contact Phone Number:

Chapter 1: My Business Information

# Workpapers

## PHONE CALL NOTES

**CLIENT:**

**DATE:**

**TIME:**

**SPOKE TO:**

**NOTES**

**ACTION ITEMS: PERSON RESPONSIBLE DEADLINE**

|  |  |  |
| --- | --- | --- |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

Chapter 1: My Business Information

## MEETING NOTES

|  |  |
| --- | --- |
| **CLIENT:** |  |
| **DATE:** |  |
| **LOCATION:** |  |
| **ATTENDEES** | **AGENDA** |
|  |  |
|  |  |
|  |  |
|  |  |

**DISCUSSION NOTES**

|  |
| --- |
|  |
|  |
|  |
|  |
|  |
|  |
|  |
|  |
|  |
|  |
|  |
|  |

|  |  |  |
| --- | --- | --- |
| **ACTION PLAN** | **TASK OWNER** | **DEADLINE** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

Chapter 1: My Business Information

## Bookkeeper’s Task Report

**ICB Resource Link:** [**Bookkeepers Task Report**](https://www.icb.org.au/s/Resources/Bookkeepers-Task-Report)

|  |  |  |  |
| --- | --- | --- | --- |
| 1. Business Name: |  | Date: |  |

**Accounting Basis:** Cash / Accrual**Payroll:** Weekly / Fortnightly / Monthly

|  |  |
| --- | --- |
| Tasks | Comments |
| **Suppliers/Purchases** |  |
| Enter Supplier Purchases / Invoices / Bills. |  |
| Identify any equipment purchases, particularly taking note if there is a Hire Purchase arrangement. |  |
| Check when new equipment was purchased that any Sale or Trade-in of Assets has been entered into datafile. |  |
| If supported by software, upload copies of documents to purchases/bills. |  |
| Reconcile bills to Supplier Statement, if available. |  |
| Review Credit Notes, if applicable. |  |
| Print Aged Payables Report. |  |
| Reconcile Payables Report to General Ledger Account ‘Trade Creditors’. |  |
| Gain approval and authority to pay Suppliers from Business Owner. |  |
| Pay Suppliers and Produce EFT/ABA or other system generated payment file. |  |
| Upload Payment File and process payment. |  |
| Email Supplier Remittances. |  |
| **Customers** |  |
| Enter Customer Sales Invoices. |  |
| Review Credit Notes and attach to appropriate invoices. |  |
| Allocate and enter Customer Payments. \*This may be transactions available via Bank Feeds. |  |
| Print Aged Receivables Report. |  |
| Reconcile Receivables Report to General Ledger Account ‘Trade Debtors’. |  |
| Send EOM Statements to Debtors. |  |
| Credit control of overdue payments. |  |
| Raise provision for Bad and Doubtful Debts with Business Owner. |  |
| Write off Bad Debts. |  |
| **Prepare Payroll** |  |
| Check for any Staff beginning employment.   * + - Make sure that Onboarding has been completed, including employee basic information, TFN details and superannuation details.     - Check that employees’ remunerations package is recorded. |  |
| Check for Public Holidays and employees correctly paid as appropriate. |  |
| Check Employees records for Annual Leave taken.   * + - Calculate, making sure to check for any public holidays. |  |
| Check Employees records for applicable Personal Leave to be paid. |  |
| Check Employees allowances are correctly allocated and calculated. |  |
| Check Employees for Re-imbursements to be paid. |  |
| Review any staff terminations.   * + - Prepare and review applicable final pay. |  |
| Review Timesheets. |  |
| Process Pays. |  |
| Review pays and send appropriate reports to client for lodgement approval if required. |  |
| Lodge Single Touch Payroll (STP) with the ATO. |  |
| Gain authority from Business Owner to pay wages. |  |
| Prepare Bank File (ABA) or other system generated payment file. |  |
| Print Payroll Summary Reports. |  |
| Email / Send Pay slips (ensure written permission in place to email if new employee). |  |
| Compare Payroll Reports and STP to General Ledger Payroll Accounts. |  |
| Reconcile Super Guarantee. |  |
| Obtain Authority to Pay Super Guarantee. |  |
| Collect appropriate reports for Monthly PAYGW reporting, if applicable. |  |
| **Banking** |  |
| Match Bank Feeds to appropriate receipts, automatic payments, general expenses and payroll transactions.  **Note:** Bank Feeds may contain a combination of Cheque Accounts, direct deposits and Credit Card Accounts. |  |
| Complete data entry for Petty cash or any other account that doesn’t have Bank Feeds. |  |
| Make sure all cash expenses or reimbursements have been entered. |  |
| Reconcile all Bank Accounts. |  |
| Reconcile Bank Loan #, if statements are available. |  |
| Reconcile Credit Card #1. |  |
| Reconcile PayPal / Square / any other type of payment method. |  |
| Reconcile ‘Electronic Clearing Account’ if used. |  |
| Reconcile ‘Undeposited Funds Account’ if used. |  |
| **Business Activity Statement (BAS)** |  |
| Review GST Summary Report for prior BAS to ensure no changes to previous periods or applicable report in software. |  |
| Run and review detailed GST reports and check all tax code allocations. |  |
| Print Payroll reports for Gross Wages and PAYGW to be included in BAS / IAS. |  |
| Review PAYGI arrangements if required. |  |
| Check for Deferred GST scheme, FBT, WET, Fuel tax. Correlate information if applicable. |  |
| **Prepare BAS** |  |
| Send appropriate reports to Business Owner for review. |  |
| Gain authority to lodge from Business Owner (written approval). |  |
| Upload to ATO via Online Services and lodge.   * + - Obtain authority to make payment.     - Enter the payment using the full values from the GST accounts and allocate any rounding to an appropriate rounding account. |  |
| **Reporting** |  |
| Outstanding Debtors. |  |
| Outstanding Creditors. |  |
| Outstanding Payroll Entitlements. |  |
| Maintain General Ledger / verify / allocate adjustment Journal entries (if required). |  |
| Review Trial balance and reconcile any transactions, as necessary. |  |
| Check with Business Owner what reports they would like to view. |  |
| Prepare Profit and Loss YTD. |  |
| Prepare Balance Sheet. |  |
| Provide Client with PDF copies of reports. |  |
| Provide a Backup of the file. This may be done as a PDF or Excel document of all transactions. |  |
| Ensure Accountant has access to the data file with Client’s permission. |  |
| File name: |  |

1. Follow up and comments:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Hours of Work: |  | Invoice Reference #: |  | Next Visit: |  |

Chapter 1: My Business Information

## Bookkeeper Client Meeting Pack

**ICB Resource Link:** [**Bookkeeper Client Meeting Pack**](https://www.icb.org.au/s/Resources/Bookkeeper-Client-Meeting-Pack)

|  |  |  |  |
| --- | --- | --- | --- |
| Business Name: |  | Year: |  |

|  |  |
| --- | --- |
| **1. Items for Discussion** | **Bookkeeper Notes** |
| The year that was:   * + - Overview of financial performance. |  |
| Payroll Issues:   * + - Compliance – Fair Work, Super, Salary Sacrifice, FBT, etc.     - Government Employee Incentive Payments.     - Payroll Management Policy Review.     - STP Discussions & Initial Set-up & Disaggregation.     - Closely Held and micro employer discussions regarding STP. |  |
| Process Issues:   * + - Purchase and Supplier Processes.     - Customer Invoicing and Receivables Processes.     - Financial Control Policy.     - Cashflow. |  |
| Efficiency Issues:   * + - Software solutions such as bank feeds, optical character reader (OCR) receipt capture, payment gateways, and digital storage solutions.     - Other manual processes that could be resolved with technology.     - Online Services For Business (OSfB).     - myGovID.     - New Hardware. |  |
| Communications:   * + - Between Bookkeeper and Owner.     - Accountant/Auditor.     - Authority Forms.     - Security. |  |
| Inventory Management:   * + - Ordering, Receiving, Managing stock.     - Cost of Goods.     - Consignment Stock.     - Stocktake. |  |
| Reporting:   * + - Types of Reports.     - Frequency.     - KPIs – What do you want to measure? |  |
| Other:   * + - Customer Deposits/Vouchers – Impact on Cashflow.     - Debt Management Review.     - Review Merchant/Payment Fees for better deals.     - Online Selling/Digital presence/Website.     - Other. |  |
| **2. Reports** | **Bookkeeper Notes** |
| Profit and Loss YTD. |  |
| Last Year’s Analysis Report. |  |
| Budget Analysis Report. |  |
| Balance Sheet. |  |
| TOP Selling items and Customers. |  |
| * + - Outstanding Debtors and Creditors.     - Bad Debts or Supplier bills. |  |
| Inventory Summary:   * + - Stock on Hand.     - Stock losses. |  |
| Payroll Entitlements Reports, including Long Service Leave (if applicable). |  |
| **3. Comparison** | **Bookkeeper Notes** |
| Last Year Analysis Profit and Loss:   * + - Highlight the differences for client – Decline or Incline from COVID/Other impacts.     - List abnormal expenses in the year.     - Wage Costs current versus last year.     - Cost of Goods current versus last year. | $  $  $  $ |
| Last Year’s Analysis Balance Sheet. |  |
| Highlight Movements in Assets. | $ |
| Major Assets Bought. |  |
| Highlight Liabilities. |  |
| **4. Margins** | **Bookkeeper Notes** |
| Profit Margin versus Mark-up. | % |
| Gross Profit Margin. | % |
| Operating Margin. | % |
| Current Ratio. | % |
| **5. Cashflow Difficulties** | **Bookkeeper Notes** |
| 1. List Direct Debits from Bank/Review Subscriptions: | $  $  $ |
| Debtors Collection Rate. |  |
| Inventory Turnover Rate. |  |
| Loans or Debts. |  |
| **6. Budgeting** | **Bookkeeper Notes** |
| Discuss preparing a Budget for the client. |  |
| Budget Variables: Sales / COGS / Wages / Other. |  |
| Budget Fixed Costs: Rent / Security / Leases / Other. |  |
| Budget Variance Reporting. |  |
| Management Analysis. |  |
| Cash Flow Budget. |  |
| **7. Reports for the Accountant** | **Bookkeeper Notes** |
| Bookkeeper’s notes for the year – areas to review. |  |
| BAS Reconciliation Worksheet. |  |
| Profit and Loss YTD with comparison to last year. |  |
| Balance Sheet as at 30th June. |  |
| Supporting documents to support the financials. |  |
| General Ledger details of Directors’ Loan and Assets. |  |
| Stocktake Value. |  |
| Finance Contracts. |  |
| Receivables and Payables as at 30th June. |  |
| Access to file or backup file. |  |

Chapter 1: My Business Information

## Accountant Checklist

1. **ICB Resource Link**: [Checklist Information for Accountants](https://www.icb.org.au/s/Resources/Checklist-Information-for-Accountants)

|  |  |  |  |
| --- | --- | --- | --- |
| Checklist | OK | Query | N/A |
| **Data File Information** |  |  |  |
| Software program & version (if applicable):  How software may be accessed:  User ID established:  Online access invitation sent to email: |  |  |  |
| **Opening Balances** |  |  |  |
| * + - Determine opening balances are correct: compare last year’s 30th June balance sheet balances to accountants reports for last year – process last year’s EOY alignment journal or address any subsequent changes to the balances. |  |  |  |
| **Bank Reconciliations** |  |  |  |
| * + - Review all bank accounts and ensure they are reconciled to at least 30th June.       * + Cheque accounts         + Credit Card accounts         + Petty Cash         + Undeposited Funds         + Electronic Payments account         + Cash Drawer         + Clearing accounts     - Provide reports of 30th June reconciliations and copies of bank statements to confirm the balances in the accounts as at 30th June, as an independent check to bank feed transactions.     - Address old, unreconciled amounts. There should be no outstanding direct debits or bank charges, etc. Reasons for unpresented amounts may include:       * + Duplicate entries.         + Incorrect process – a ‘customer payment’ may have been processed to remove an outstanding debtor, instead of processing an adjustment via debtors.         + If there is a legitimate reason for an older unpresented transaction, make a note for the accountant.         + Be aware of the date for any corrections so that there is no impact on prior years and prior BAS periods. |  |  |  |
| **Creditors Reconciliation** |  |  |  |
| * + - Review receivables reconciliation reports and ensure balance agrees with balance sheet. If not, address the anomaly. Is it a date issue, e.g., a payment made to supplier in June and supplier invoice dated July? Has an entry incorrectly been processed to the control account?     - Review any old outstanding payables. Are there adjustments outstanding, have any bills been duplicated, or has a payment to a supplier been entered as a cash entry instead of supplier payment?     - Have adjustment notes/credits been applied to outstanding bills?     - Provide a copy of outstanding creditors as at 30th June. |  |  |  |
| **Debtors Reconciliation** |  |  |  |
| * + - Review payables reconciliation reports and ensure balance agrees with balance sheet. If not, address the anomaly. Is it a date issue, e.g., a July invoice paid by customer in June, or has a journal been incorrectly processed to the control account?     - Review any old outstanding amounts. Check whether any should be credited or written off as bad debts or whether a customer payment has been receipted as a cash receipt and not through debtors.     - Review returns. Do returns need to be applied to current purchases or refunded to customers?     - Provide a copy of outstanding debtors as at 30th June. |  |  |  |
| **Inventory** |  |  |  |
| * + - Stocktake cost based on:       * + First In, First Out (FIFO).         + Average cost.     - Review the inventory value reconciliation report; address any anomalies with the physical stocktake.     - Provide stock value as at 30th June, with a copy of the physical stocktake if required.     - Provide a list of stock adjustments to accounts for obsolete/damaged/samples.     - EOY stock adjustment journal created. |  |  |  |
| **Finance Contracts** |  |  |  |
| * + - Provide or upload copies of all new finance contracts.     - Provide or upload copies of bills related to sale or trade-ins of capital equipment/assets.     - Ensure each loan or contract is assigned a separate liability account. |  |  |  |
| **Loans** |  |  |  |
| * + - Provide statements for any bank loans.     - It is recommended that the loan account be set up to enable payments to be made from the account and that the account may be reconciled.     - Record interest and bank charges to the account.     - Reconcile all loan accounts to 30th June. |  |  |  |
| **Review GST Tax Codes** |  |  |  |
| * + - Review the default tax codes attached to each account.     - Review the GST detail reports.     - Review how the GST codes are reported in the software.     - Check use of the CAP code (if using the full reporting method).     - Check all tax codes are set up correctly. |  |  |  |
| **BAS Payments** |  |  |  |
| * + - Check BAS payment postings are correct, i.e., offsetting GST control accounts and PAYGW accounts, or to the ATO Accounts Summary (previously ICA) account if journals are processed at time of lodgement. |  |  |  |
| **BAS Reconciliation** |  |  |  |
| * + - Review each quarter’s BAS for the year again and compare to the originals lodged for any variances to be taken up in the final BAS for the year.     - Utilise ICB [BAS reconciliation worksheet](https://www.icb.org.au/Resources/End-of-Year/Reconcile-GST-and-BAS/BAS-Reconciliation-Worksheet) or a GST reconciliation process within the software to ensure that the year’s reporting is correct.     - Advise or address any GST adjustments required. |  |  |  |
| **Private Expenses** |  |  |  |
| * + - Review any loan or drawings accounts transactions to ensure that GST tax codes have not been used. Ensure that loan account balances have been brought to the attention of Client/Accountant prior to year-end.     - Check for any home office type expenses that include both a private and business portion. Check that GST has not been claimed on the private portion, that those amounts are processed as ‘not reportable’.     - Inform the accountant of any matters for their consideration.     - Check that the allocation of private expense percentages is current and correct. |  |  |  |
| **PAYG Withholding** |  |  |  |
| * + - If more than $25,000 per year is being withheld in tax from employees, the entity should be reporting monthly not quarterly for PAYG withholding. Note if a change to registration is required. |  |  |  |
| **Capital Acquisitions** |  |  |  |
| * + - Review transactions in all asset accounts to ensure that capital purchases have been assigned the correct tax code (if applicable).     - Check any expense accounts that you may have incorrectly used for capital purchases. Expense accounts may be relevant and correct if the accountant has requested an expense account be used for assets below the threshold to be expensed.     - Provide detailed information on capital purchases (for depreciation purposes) in the accounts and provide copies of the bills or upload to the software. |  |  |  |
| **Wages & Superannuation** |  |  |  |
| * + - Provide a copy of payroll reconciliation reports for the full year. Reconcile income statement totals with the profit and loss accounts for salaries, wages, and superannuation.     - Provide details of superannuation payable outstanding as at 30th June and the period the outstanding amounts relate to. |  |  |  |
| * + - Compare payroll summary/payroll totals report for the year with total wages and salaries expenses in the profit and loss. Do they agree? If not, determine the reason for differences. Have funds received, e.g. from Services Australian for Paid Parental Leave (PPL), been incorrectly processed to the wages expense accounts?     - Check for any wage accounts set up that override the wages and salaries accounts to another account – these accounts may need to be added to reconcile total wages and salaries at the end of the year.     - Check that tax payments to ATO in relation to PAYG withholding have been posted correctly to PAYGW liability account or to the ATO Accounts Summary if a journal was processed at lodgement. |  |  |  |
| **Deductions** |  |  |  |
| * + - Review deduction expenses and query with, or flag for the accountant any tax treatment to be reviewed.     - Entertainment expenses – advise the accountant specifically what they are and for whom. It is recommended to process this detail at the time of processing the transaction, to save having to ask later. |  |  |  |
| **Directors Loan Accounts** |  |  |  |
| * + - Save a detailed GL report on loan accounts and ensure postings are correct.     - Provide information to accountant as required, ideally prior to the end of the financial year.     - Review any director dividends or fees paid through the year. Are they correct and assigned to correct accounts? Have directors’ fees been processed through payroll? If not, confirm the type of payment with accountant and process accordingly.     - Review that superannuation has been paid to directors as appropriate. Directors on the payroll need to be setup the same as other employees. |  |  |  |
| **Report to Accountant** |  |  |  |
| * + - Prepare a note to the accountant about things you would like them to address and things you are unsure about.     - Save reports as a ‘backup’, namely Trial Balance, Profit and Loss statement, Balance Sheet, General Ledger Summary, and any others deemed relevant.     - Provide supporting reports and documents to substantiate the figures on the Balance Sheet and Profit & Loss.     - Provide notes or explanations to the financial reports as needed. |  |  |  |