

# Our Audit Shield Service

## For Your Protection

### What is audit activity?

Audit activity includes any audit, enquiry, investigation or review which is instigated by the Australian Taxation Office (ATO) and other relevant government agencies to ensure compliance with various tax and legislative requirements.

### How common are audits, enquiries, investigations or reviews?

The ATO and other government agencies continue to focus on audit activity and are consistently provided with additional resources for this purpose. Now more than ever you are at risk of being selected for an audit, enquiry, investigation or review.

### What is the Audit Shield service and why should it be considered?

Our Audit Shield service provides for the payment of professional fees incurred as a result of you being selected for an audit, enquiry, investigation or review.

The cost of being properly represented in these matters can be quite significant. Even if no adjustments are required, you could still be left with considerable professional fees if you are not protected by Audit Shield. Our Audit Shield service provides a fixed, cost effective solution to guard against these unbudgeted costs.

### Who provides the service?

The Audit Shield service is provided by our accounting firm via a group policy we hold in our business name, which is underwritten by AAI Limited (trading as Vero Insurance).

### What lodged returns/financial compliance obligations are covered?

- Capital Gains Tax
- Employer Obligations – Superannuation Guarantee / PAYG
- Fringe Benefits Tax
- Income Tax, GST and BAS
- Payroll Tax, Land Tax and Stamp Duty
- R&D Tax Incentive (ATO only)
- Record Keeping
- Self Managed Superannuation Funds (SMSFs)  
(cover available separately)
- WorkCover/Workers Compensation
- Plus more!

### Who is covered?

All of our clients can take advantage of our Audit Shield service. Different levels of cover are available for salary and wage earners, businesses with turnover under \$100 million as well as SMSFs. In most cases individuals and other family entities can be covered with the business entities – for no extra cost.



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## Is the cost tax deductible?

Yes, a tax deduction can ordinarily be claimed.

## Is it mandatory to participate in this service?

No, Audit Shield is an optional service provided by our accounting firm to you, our client. You have the opportunity to participate in or decline our Audit Shield service offer.

## What is not included?

We have carefully selected our Audit Shield policy to provide the widest possible coverage for us and our clients. However, we do remind our clients that such items or circumstances as listed below are not covered:

- Activity where notification was given prior to the inception of cover or your confirmation of participation.
- If the ATO auditor imposes final culpability/shortfall penalties of 75% or more, and/or the return is deemed to have been fraudulently lodged.
- Actions in regard to letters from any authority that are educational or advisory in nature or merely suggest, invite or propose actions to be taken by you; or act as a warning to you that you may be selected for an audit at a future time; or do not compel you to take any action.
- Punitive costs (e.g. penalty tax, costs, interest or fines).
- Costs for work incurred which should have been undertaken prior to the audit activity (e.g. outstanding lodgements).
- Any matter in relation to applications, assessments or reviews of government benefits or entitlements.
- Costs for work incurred which should have been undertaken prior to the audit activity (e.g. outstanding lodgements);
- Actions in regard to letters from any authority that are educational or advisory in nature or merely suggest, invite or propose actions to be taken by you; or act as a warning to you that you may be selected for an audit at a future time; or do not compel you to take any action.

## What do I need to do to participate in the Audit Shield service?

Please contact one of our friendly team members to discuss your participation and to arrange an acceptance form to be sent to you.

