

28 September 2020

Ms J Duyster  
Australian Medical Placements Trust & Jodaz Trading Trust  
PO Box 2020  
PROSPECT SA 5082

### **Audit Shield Service**

Dear Jodi

With government revenue authorities increasingly using data matching, artificial intelligence and even social media, they are able to compare disclosures made in your lodged tax returns to those of other taxpayers or benchmarks. If a data matching check escalates to an official enquiry, investigation, review or audit, our costs in defending your position can accumulate quickly, regardless of whether any adjustments are made to your returns or not. Our Audit Shield service covers those costs (up to predetermined limits).

Audit Shield is not just for business owners and SMSFs. The Australian Taxation Office has identified individual taxpayers who have rental properties and those with excessive work related deductions for special scrutiny.

#### **Benefits of our Audit Shield service:**

- **Retrospective protection:** Previously lodged returns are covered automatically.
- **Specialist fees:** Fees of any other external specialist (e.g. taxation lawyers) or relevant consultant engaged or instructed by us to assist us in a response to audit activity are also covered.
- **You have a choice:** The offering is optional, so there is no compulsion to participate.

#### **Important information about our Audit Shield service:**

- We hold a tax audit insurance policy in our business name. By proceeding with our Audit Shield service, we will include you and your entities in our policy.
- The policy we hold is a group policy underwritten by AAI Limited (trading as Vero Insurance).
- Payment is tax deductible. In addition, included in your payment is a fee payable to us. This is simply used as recovery of our administrative costs for managing this service.
- You can benefit from the service on the proviso that we are acting as your registered tax agent.
- Participation in this service is not automatic. Protection will commence on the next business day after we have received your payment, and expires on **28 February 2021**.

To be protected by our Audit Shield service, simply provide payment as indicated on the "Client Acceptance Form". If you do not want to participate, you do not have to do anything but if you would like to formally decline, please follow the instructions on the "Client Decline Form".

If you have any queries with respect to this offer, refer to the enclosed FAQs or contact us.

Yours faithfully

**LBH ACCOUNTANTS PTY LTD**



**Les Bowyer**



**LBH ACCOUNTANTS PTY LTD**

Certified Practising Accountants

ABN 12 007 723 542

294 Payneham Rd, Payneham SA 5070

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## Client Acceptance Form

Australian Medical Placements Trust & Jodaz Trading Trust  
PO Box 2020  
PROSPECT SA 5082

Client Code: AUST04L

Invoice No: TAI-19970065

Date: 28 September 2020

This *Client Acceptance Form* is your invitation to participate in the LBH Accountants Pty Ltd Audit Shield service. Participation in the Audit Shield service is active the next business day upon receipt of payment. Liability limited by a scheme approved under Professional Standards Legislation. This document serves as a tax invoice/receipt upon payment.

### Details

Expiry Date: 28 February 2021 at 4p.m.

Level of Cover: \$ 30,000.00

Turnover Category: Business Group/Salary & Wage Earner \$10,000,000.01 - \$25,000,000.00\*

(\*Please note that we have estimated your current turnover. If you believe that this is incorrect, please contact us.)

Name of Entities / Individuals to be covered:

**Australian Medical Placements Trust & Jodaz Trading Trust**

Please refer to the attached pages.

### Payment

Fee for Audit Shield service participation: \$ 1,336.36

GST Added: \$ 133.64

Amount Due: \$ 1,470.00

### Privacy Statement

By paying this invoice, and in the event of any claims, you authorise us to provide reasonable personal/private information about you and/or any related entity to support the claim.

### Remittance Advice

Please detach the Remittance Advice portion of this letter and send it back to us along with payment.

Please send to: LBH Accountants Pty Ltd  
PO Box 170 MARDEN SA 5070

Client Name: Australian Medical Placements Trust & Jodaz Trading Trust

Client Code: AUST04L Invoice No: TAI-19970065 Date: 28 September 2020 Amount Due: \$ 1,470.00

PAYMENT METHOD:  Cheque  Visa  Mastercard  EFT\*\*

\*\* If paying by EFT, please quote **TAI-19970065** as the reference and transfer the payment to:  
LBH Accountants Pty Ltd, BSB No. 105 118, Account No. 041 267 540

Cardholder Name: \_\_\_\_\_ Expiry: \_\_\_\_/\_\_\_\_/\_\_\_\_ CCV: \_\_\_\_/\_\_\_\_/\_\_\_\_

Card No: \_\_\_\_\_ Signature: \_\_\_\_\_

Name of Entities / Individuals to be covered:

**Australian Medical Placements Trust & Jodaz Trading Trust**

Aust Medical Placements Tst & Jodaz Trading Tst  
Australian Medical Placements Pty Ltd  
Australian Medical Placements Trust  
Australian Medical Placements Trust and John G Mitchell  
Catersure Pty Ltd  
Davodi Pty Ltd  
GPMS Trust  
General Practice Management Services Pty Ltd  
Jodaz Pty Ltd  
Jodaz Trading Trust  
Kando Trust  
Mr Blake Duyster  
Ms Jodi L Duyster  
Ms Lynette J Barker  
Ms Tahlia Duyster



## Our Audit Shield Service - Your Opportunity For Protection

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*Our Audit Shield service provides for the professional costs associated with audit activity. It is an optional service we provide to ensure you do not incur unexpected costs.*

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### **Audit activity can be costly and time consuming.**

The cost of additional fees incurred as a result of audit activity can be considerable depending on the length of time involved in the process, which can vary from a phone enquiry to a complete audit of lodged returns.

The Australian Taxation Office now has unprecedented access to data matching that makes it simpler and far more likely that they will pursue previously untargeted taxpayers. Our Audit Shield service is an effective mechanism to protect you against unplanned professional fees which can arise as a result of audit activity.

### **The benefits of our Audit Shield service:**

- ✓ A cost effective way to avoid the stress and disruptions that can be imposed by audit activity.
- ✓ Professional fees associated with audit activity (up to a prescribed limit) are covered.
- ✓ Payment for your participation in our Audit Shield service is tax deductible.
- ✓ The cover is retrospective, so previously lodged returns are covered automatically.
- ✓ Audit Shield is optional, so you have a choice whether to participate or not.

### **Employer Obligations Audit case study:**

An electrical contractor endured an ATO audit in respect of PAYG and superannuation obligations concentrating on payments to contractors which resulted in a number of contractors being deemed to be employees by the ATO.

**Professional fees of \$6,641 were incurred, and fully covered by Audit Shield.**

This case study shows how Audit Shield helps to put a participant's mind at ease during a stressful situation, and saves the participant from the significant costs which are associated with audit activity.

# Audit Shield Service - Frequently Asked Questions



## What is the Audit Shield service?

The Audit Shield service provides for the payment of our professional fees otherwise payable by you when incurred as a result of our accounting firm being required to respond, on your behalf, to an audit, enquiry, investigation, review or examination (audit activity) of your lodged returns or your financial compliance obligations instigated by the Australian Taxation Office (ATO) or other Australian Government revenue agencies.



## What is the benefit of the Audit Shield service?

Data matching becomes more sophisticated each year. This makes it simpler and far more likely for previously untargeted tax payers to encounter audit activity, despite compliancy. With the Audit Shield service, you can rest assured knowing that our professional fees will be covered, and the accounting and taxation work will be undertaken, in relation to the audit activity. Often these fees can be greater than those we may charge you for completing the return(s).



## What is included under the Audit Shield service?

Professional fees otherwise payable to us that have been incurred in responding to audit activity until the completion of the matter, or until the cover limit as stated on your *Client Acceptance Form* is exhausted, will be covered under the Audit Shield service. Fees of any other external specialist (e.g. taxation lawyers) or relevant consultant engaged or instructed by us to assist us in a response to audit activity are also covered. Both during (interim payments) and/or upon conclusion of the audit activity, we will present for payment our fees on your behalf to the insurer for recovery against the policy. Should a difference arise between our fees and the amount available to be covered against the policy, we may need to seek the shortfall payment of our fees from you. Your cover begins from the next business day after our receipt of your participation fee (see the attached *Client Acceptance Form* for further details).

## Will my professional fees be covered?

Yes. Costs (professional fees) which are directly related to the work we are required to undertake as a result of audit activity will ordinarily be covered (up to the prescribed cover limit). The cost of these additional fees can be considerable depending on the amount of time required to attend to the audit activity. Standard fees associated with any typical compliance or other work conducted throughout the year are excluded.

## What audits, enquiries, investigations and reviews are covered?

- > Capital Gains Tax
- > Employer Obligations
- > Fringe Benefits Tax
- > GST/BAS
- > Income Tax
- > Land Tax
- > Payroll Tax
- > PAYG
- > R & D Tax Incentive (ATO Only)
- > Record Keeping
- > SMSFs (cover available separately)
- > Stamp Duty
- > Superannuation Guarantee
- > WorkCover/Workers Compensation
- > Plus much more



## 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:

- > Actions in regard to any notices from the ATO or any other government revenue agency 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 audit activity at a future time; or do not compel you to take any action.
- > If the ATO auditor imposes final culpability/shortfall penalties of 75% or more, and/or the return is deemed to have been fraudulently lodged.
- > Costs for work incurred which should have been undertaken prior to the audit activity (e.g. outstanding lodgements).
- > Audit activity where notification was given prior to the inception of cover (i.e. prior to our receipt of your participation fee).
- > Any fine or penalties imposed or for any amounts payable pursuant to an amended notice of assessment or adjustment including but not limited to any additional tax, duty, government impost or similar payments.
- > Other than post payment reviews or audits by the ATO of the Covid-19 JobKeeper payment support package, any matter in relation to applications, assessments or reviews of government benefits or entitlements and any form of activity involving a review relevant to you maintaining industry status, licence compliance, membership or any form of application, registration or re-registration process.

## Important information:

If an official enquiry, official investigation, official review or official examination escalates or results in an audit, then this will be viewed as one audit for the purposes of this service.



## Is the cost tax deductible?

Yes. A tax deduction should ordinarily be claimable for your participation fees.

## Who is Vero Insurance and how can they be contacted?

AAI Limited trading as Vero Insurance is a wholly owned subsidiary of Suncorp Group Limited.

Postal Address: GPO Box 3999, Sydney NSW 2001

Telephone: 13 18 13

Email: [veroinformation@vero.com.au](mailto:veroinformation@vero.com.au)



## Client Decline Form

Australian Medical Placements Trust & Jodaz Trading Trust  
Client Code: AUST04L

Should you choose not to participate in our Audit Shield service, please sign this form and return to our office via either one of the following methods:

1. Fax (08) 8362 9207
2. Email amy@lbh.com.au
3. Mail PO Box 170 MARDEN SA 5070

**By signing this form, you are acknowledging that you have been offered participation in the LBH Accountants Pty Ltd Audit Shield service and do not wish to participate. You acknowledge that you will be excluded from the coverage the service provides and will be charged separately for any professional fees and/or costs that may occur in the event of any audit activity by the Australian Taxation Office (ATO) or any other government body.**

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

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_