



This document is to confirm our understanding of the terms of our engagement and the nature and limitations of the services we will provide.

Purpose, Scope and Output of the Engagement

This firm will provide Accounting and / or Taxation and / or Business advisory services, which will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB), and with Australian Taxation Law. The extent of our procedures and services will be limited exclusively for this purpose only. As a result, no audit or review will be performed and, accordingly, no assurance will be expressed. Our engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may exist. However, we will inform you of any such matters that come to our attention.

Any reports including Financial Statements, Income Tax Returns etc., will be prepared for distribution to the specific organisation, client or entity for the purpose specified in the report. There is no assumption of responsibility for any reliance on our report by any person or entity other than you and those parties indicated in the report. The report shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, our report may include a disclaimer to this effect.

Responsibilities

In conducting this engagement, information acquired by us in the course of the engagement is subject to strict confidentiality requirements. That information will not be disclosed by us to other parties except as required or allowed for by law, or with your express consent.

We wish to draw your attention to our firm's system of quality control which has been established and maintained in accordance with the relevant APESB standard. As a result, our files may be subject to review as part of the quality control review program of the Certified Practising Accountants of Australia or The Institute of Chartered Accountants of Australia which monitors compliance with professional standards by its members. We advise you that by accepting our engagement you acknowledge that, if requested, our files relating to this engagement will be made available under this program. Should this occur, we will advise you.

The Client is responsible for the reliability, accuracy and completeness of the accounting records, particulars and information provided and disclosure of all material and relevant information. Clients are required to arrange for reasonable access by us to relevant individuals and documents, and shall be responsible for both the completeness and accuracy of the information supplied to us. Any advice given to the Client is only an opinion based on our knowledge of the Client's particular circumstances. The Client or Client's staff are responsible for maintaining and regularly balancing all books of accounts, and the maintenance of an adequate accounting and internal control system. The Client has obligations under self-assessment to keep full and proper records in order to facilitate the preparation of accurate returns. It is the Client's responsibility to keep those records for five (5) years.

A taxpayer is responsible under self-assessment to keep full and proper records in order to facilitate the preparation of a correct return. Whilst the Commissioner of Taxation will accept claims made by a taxpayer in an income tax return and issue a notice of assessment, usually without adjustment, the return may be subject to later review. Under the taxation law such a review may take place within a period of up to four (4) years after tax becomes due and payable under the assessment. Furthermore, where there is fraud or evasion there is no time limit on amending the assessment. Accordingly, you should check the return before it is signed to ensure that the information in the return is accurate.

Where the application of a taxation law to your particular circumstances is uncertain you also have the right to request a private ruling which will set out the Commissioner's opinion about the way a taxation law applies, or would apply, to you in those circumstances. You must provide a description of all of the facts (with supporting documentation) that are relevant to your scheme or circumstances in your private ruling application. If there is any material difference between the facts set out in the ruling and what you actually do the private ruling is ineffective.

If you rely on a private ruling you have received, the Commissioner must administer the law in the way set out in the ruling, unless it is found to be incorrect and applying the law correctly would lead to a better outcome for you. Where you disagree with the decision in the private ruling, or the Commissioner fails to issue such a ruling, you can lodge an objection against the ruling if it relates to income tax, fuel tax credit or fringe benefits tax. Your time limits in lodging an objection will depend on whether you are issued an assessment for the matter (or period) covered by the private ruling.

Fees

Our fees are based on the expected amount of time and the level of staff required completing the services.

Our current rates, exclusive of GST, range from \$50 per hour for a book-keeper to \$450 per hour for a partner. Our Fees are subject to change without notice.

We also wish to be actively involved in your business affairs. Accordingly, we encourage you to speak to us before you take action that might have a significant effect on your business, Financial or Taxation arrangements.

Trading Terms

Our trading terms are strictly 14 days and we expect payment within those terms. In return we will complete the preparation of your Financial Statements, Income Tax Returns and other lodgements within a timely manner upon receipt of the information outlined above provided you fulfil your responsibilities.

Limitation of Liability

Our liability is limited by a scheme approved under Professional Standards Legislation. Further information on the scheme is available from the Professional Standards Councils' website: <http://www.professionalstandardscouncil.gov.au>.

Ownership of Documents

All original documents obtained from the client arising from the engagement shall remain the property of the client. However, we reserve the right to make a reasonable number of copies of the original documents for our records.

Our engagement will result in the production of output documents such as Financial Statements and Income Tax Returns. Ownership of these documents will vest in you. All other documents produced by us in respect of this engagement will remain the property of the firm.

The firm has a policy of exploring a legal right of lien over any client documents in our possession in the event of a dispute. The firm has also established dispute resolution processes.

Audit Shield

We offer client's our Audit Shield Service to assist in covering fees you may incur should the Australian Taxation Office or other Government agency inquiries arise. If you would like more information , please contact this office.

Period of Engagement and Confirmation of Terms

Acceptance of our services in conjunction with this engagement document indicates that you understand and accept the arrangements. This information will be effective for future engagements unless we advise you of any change.

We thank you for the opportunity to work with you.