

Client Engagement Letter

The following is to confirm our understanding of the terms of our engagement and the nature and limitations of the services that TJS Accounting Co Pty Ltd, Tax Agent Number 25533914, provide to you.

Purpose, Scope and Output of the Engagement

This firm will provide accounting, taxation and business advisory services as required, which will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB).

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.

Income Tax returns, BAS & IAS returns and Financial Statements will be prepared for distribution to the individuals and business owners and the Australian Taxation Office for the agreed purpose. There is no assumption of responsibility for any reliance on our reports by any person or entity other than yourself and those parties indicated in these reports. The reports shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, our reports may include a disclaimer to this effect.

Our 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 Taxation Institute of Australia and the Institute of Public Accountants 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 these programs. Unless otherwise advised, you are consenting to your files being part of such a quality review. This review is of our client records and not of you as a client and you have full assurances that complete confidentiality will be maintained throughout. It is our duty (Under the Tax Agents Services Act 2009) to act lawfully in the best interest of the client and for the agent to act honestly and with integrity.

Your Responsibilities

Clients are required to arrange for reasonable access by us to relevant information and documents in a timely manner and shall be responsible for both the completeness and accuracy of the information. When you sign your tax return, you are taking responsibility for the claims you are making and are aware of your responsibilities as a taxpayer under the taxation laws and the consequence of errors and omissions from the information given to the taxation authorities. If you are aware that information contained in your returns is incorrect, you will contact us as soon as possible to correct the error.

The responsibility for the maintenance of a business accounting system and internal control systems, including protection against and prevention of fraud, rest with you the client. You will also be responsible for the maintenance of books of account. This includes any work produced by a third party not engaged by this firm that is to be relied upon. If any material weakness in the accounting systems or internal control systems comes to our notice, you will be advised accordingly.

You are required by law to keep full and accurate records relating of your tax affairs. It is your obligation to provide us with all information that would be reasonably expected will be necessary to allow us to perform work contemplated under the engagement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of client by the practitioner. Inaccurate, incomplete or late information could have a material effect on services and/or conclusions.

We need not verify the underlying accuracy or completeness of information from you if it appears reasonable. However, if we believe information is missing, incorrect or misleading, we will need to seek further assurance from you.

Documents

Before documentation is lodged on your behalf, drafts will be forwarded for your approval. Documentation will be lodged with the relevant departments by the due dates, provided all information and documentation is received promptly after the Financial Year End or other statutory date. This will allow adequate time for preparation and lodgement.

If you are late in providing information, best efforts will be made to meet deadlines. No responsibility will be accepted for any late lodgement penalties incurred.

Accounting and Record Keeping

In undertaking this engagement, it is understood that you will ensure that:

- a) the bookkeeping for all business entities are maintained on a regular basis. It is recommended that all bookkeeping and record-keeping tasks be attended to weekly;
- b) reconciliations of bank accounts, debtors and creditors are performed at the end of each month for each of the business entities;
- c) a stock take will be performed during the last weekend in June for each entity holding trading stock.

Previous Returns

It is noted that we are not engaged to review the accuracy of previous returns lodged by your or your organisation including that of the Principals, Partners, Trustees, Directors, Shareholders or Beneficiaries. You have warranted that reliance can be placed on the balance sheet(s) and other financial records presented by you for this purpose.

Tax Practitioners obligation to comply with the law

We have a duty to act in our client's best interests. However, the duty to act in our client's best interests is subject to an overriding obligation to comply with the law, even if that may require us to act in a manner that may be contrary to your directions. For example, we could not lodge an income tax return that we believe to be false in a material respect.

Spam

We do not send out any kind of material that can be construed to be spam. However, we occasionally send out newsletters and emails from time to time to advise clients of relevant updates. We will send these e-mails to you unless you notify us otherwise in writing in which case we cannot and will not be held responsible for any loss you may suffer as a result of not receiving our global e-mails.

Privacy Act

We are bound by the provisions of the Privacy Act to maintain all your records securely and in accordance with the provisions of that Act. Any breach of these requirements should be notified to the Privacy Commissioner. As noted above under "Quality Review", your file, unless you specifically forbid it, may be subject to a Quality Review. As a Tax Agent, we are subject to the code of professional conduct established by the *Tax Agent Services Act 2009* (TASA), this code requires that unless legally required to we can not disclose information to a third party without your permission.

No Financial Planning Advice

We are accountants and are therefore prohibited under law from giving financial planning advice. Accordingly, our staff are under strict instructions not to issue financial planning advice. If you feel as though you have received financial planning advice, we request that you not act upon it.

TJS Financial Planning Pty Ltd ABN 42 625 605 021

This firm works closely with TJS Financial Planning Pty Ltd, who is a Corporate Authorised Representative (No. 1264687) of Capstone Financial Planning Pty Ltd. ABN 24 093 733 969. Australian Financial Services Licence No.223135. In agreeing to this engagement, you are agreeing to us releasing your information to TJS Financial Planning Pty Ltd who may contact you to discuss financial planning opportunities.

Professional Fees and Payment

Our fees are based on the amount of time and the level of staff required to complete the Income Tax returns, Financial Statements and reports as agreed. Our fees will be subject to change if the following circumstances should occur: extra work is agreed to between us, unexpected problems occur that require extra time to rectify, new rules are brought in by any governing bodies that your business requires our assistance to comply with or your business grows in size or complexity and requires extra work to be done because of this. The standard professional fees are (subject to notification of changes):

Principal Accountant	\$ 275.00 per hour	Bookkeeping	\$ 99.00 per hour
Accountant	\$ 220.00 per hour	Secretarial	\$ 220.00 per hour

All fees are GST inclusive. Individual tax returns have a minimum fee of \$132.00. Invoices will be raised at either the completion of the job or at month end. However, we reserve the right to request payment prior to the commencement of work. Payment of invoices is required within 7 days of the invoice or prior to the lodgement of returns (whichever is earlier) unless alternative arrangements have been made. Payment of invoices through the use of the firms trust account will incur additional charges of \$22.00 per return. Payment's not received within 7 days will incur statement fees of \$22.00 until the debt is repaid and in the event of debt recovery proceedings any and all costs involved in such proceedings will remain at the expense of the client.

Ownership of documents

All original documents obtained from our clients arising from the engagement shall remain the property of the client. However, we reserve the right to either scan or make copies of the original documents for our records. Our engagement may result in the production of Income Tax returns, Financial Statements, BAS & IAS Returns and reports as required. Ownership of these documents will remain by 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 or until such time that our fees are paid in full. The firm has also established dispute resolution processes.

Confirmation of terms

Please sign and return a copy of this letter to indicate that it is in accordance with your understanding of the arrangements. This letter will be effective for future years unless we advise you of any change. If the contents are not in accordance with your understanding, we would be pleased to receive your comments and to give you any further information you may require.

Client Acknowledgement and Confirmation

Please contact the undersigned if you have any queries about this engagement. Please sign and return the confirmation of acceptance of this engagement. If you fail to return a signed acceptance but continue to use our services this will be taken as acceptance of the terms of this engagement letter. Thank you for the opportunity to provide professional accounting and taxation services. We look forward to developing a close and mutually satisfying relationship with you for many years to come.

TJS Accounting Co Pty Ltd

Agreement with terms of engagement

I/we understand and agree to the terms of engagement of TJS Accounting Co Pty Ltd. I/we acknowledge and warrant that I/we accept personal liability for the full cost of services provided to me and/or my associated entities should the entity(ies) be unable to pay.

Acknowledged for and on behalf of:

Name: _____
As Director / Trustee For: _____
Address: _____
Signature: _____ Date: _____