

GIBSON&PARTNERS

CHARTERED ACCOUNTANTS

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Purpose, Scope and Output of the Engagement

This firm will provide taxation and accounting services as agreed from time to time.

These services 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.

Financial statements and income tax returns will be prepared for distribution to the business owners and the Australian Taxation Office for the agreed purpose. There is no assumption of responsibility for any reliance on our report by any person or entity other than yourself and those parties indicated in these reports. 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, Disclosure and Record Keeping Obligations

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 ICAA 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.

You are required by law to keep full and accurate records relating to your tax affairs. You 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.

It is your obligation to provide us with all information that you reasonably expect will be necessary to allow us to perform work contemplated under this engagement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of you by us within a reasonable timeframe. Inaccurate, incomplete or late information could have a material effect on our services and/or our conclusions and may result in additional fees. We will not verify the underlying accuracy or completeness of information you provide to us.

You are also required to advise us on a timely basis if there are any changes to your circumstances that may be relevant to the performance of our services. Specifically, if any subsequent event results in the information you provided to us being inaccurate,

incomplete or misleading, then you are obliged to advise us as soon as possible. We take no responsibility to the extent that our advice is inaccurate, incomplete or misleading because it is based on inaccurate, incomplete or misleading information being provided to us.

By accepting the terms of this letter, you will be taken to have agreed that the performance of our services is dependent on the performance of your obligations relating to disclosure and record keeping

The Taxation Administration Act 1953 contains specific provisions that may provide you with "safe harbours" from administrative penalties for incorrect or late lodgement of returns if, amongst other things, you give us "all relevant taxation information" in a timely manner (the safe harbour provisions apply from 1 March 2010). Accordingly, it is to your advantage that all relevant information is disclosed to us as any failure by you to provide this information may affect your ability to rely on the "safe harbour" provisions and will be taken into account in determining the extent to which we have discharged our obligations to you

You are also required to advise us if you become aware of any conflict of interest or potential conflict of interest. Generally, a conflict of interest is any event which may result in us becoming unable to remain objective in the performance of our services to you. Some examples of events which could give rise to a conflict of interest or potential conflict of interest during this engagement are changes to your business circumstances, events affecting your family (eg. death and/or marriage breakdown) or a legal action commencing against you.

You have certain rights under the taxation laws, including the right to seek a private ruling from the Australian Taxation Office (ATO) or to appeal or object against a decision made by the Commissioner. As relevant, we will provide further information to you concerning your rights under the Australian taxation laws during the conduct of the engagement contemplated by this letter

You also have certain obligations under the Australian taxation laws, such as the obligation to keep proper records and the obligation to lodge returns by the due date

We have a duty to act in your best interests. However, the duty to act in your 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 interests. For example, we could not lodge an income tax return for you that we knew to be false in a material respect.

We also have an obligation to ensure that we manage conflicts of interest as they arise. In this regard, we have arrangements in place to ensure that we manage potential or actual conflicts of interest. The effective operation of these arrangements depend, in part, on you complying with your obligation to disclose any potential conflicts of interest to us (as above).

Unless otherwise stated, this opinion is based on the Australian tax law in force and the practice of the Australian Taxation Office (the ATO) applicable as at the date of this letter.

Our advice and/or services will be based on Australian taxation law in force at the date of the provision of the advice and/or services. It is your responsibility to seek updated advice if you intend to rely on our advice at a later stage. We note that Australian taxation laws are often subject to frequent change and our advice will not be updated unless specifically requested by you at the time of the change in law or announced change in law.

Fees

As you may appreciate, it is difficult to predict our costs before we commence any services given that our estimates depend on the nature and complexity of the services and any issues that arise.

The actual fees and rates charged by us reflect the seniority, expertise and experience of the persons involved, as well as factors such as the time frame in which these services are to be carried out, the particular nature of the services and the complexity and risks of the services. We may also charge you for any additional costs or disbursements we incur including travel and courier expenses.

Our fee arrangement will be subject to change if your instructions change or other circumstances come to our attention which necessitate us contacting you to discuss a revision of these fees.

I/we hereby agree to pay all debt collection costs incurred, in the event that my/our account falls overdue and is placed in the hands of a debt collection agency.

Trust Account

We maintain a separate trust account for dealing with all money and property received from you or on your behalf, except for amounts received from you in payment of our fees. We may apply these funds in payment of our bill with your written authorisation.

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 financial accounts, income tax returns, reports and other associated documents including electronic documents or files. 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.

Information relating to your affairs

From time to time our firm may engage external service providers, such as cloud computing services, in the performance of services under this engagement. Each entity in the Group hereby authorises us to disclose information relating to those clients affairs to all such external service providers, as we may choose to engage.

Electronic Lodgement Declarations

Upon completion of any documentation which is required to be lodged with the Australian Taxation Office such as income tax returns, business / instalment activity statements and fringe benefits tax returns, the firm requires the Electronic Lodgement Declaration which will be sent to you with the documents to be signed and returned by the advised due date. Gibson & Partners are unable to lodge these documents without receipt of the signed Electronic Lodgement Declaration. It should also be noted if documents are lodged after the due date advised, the entity may be subject to penalties imposed by the ATO.

Bank Account Authority

As part of the lodgement procedure from 2015, the ATO requires all tax refunds to be directly deposited into their nominated bank account.

In the event we request your bank account details, they will be retained by our office solely for the purpose of processing your individual tax refunds from the ATO and not for any other purpose unless otherwise advised.

Communications - Online

You may choose to communicate to us via our Secure Server. By uploading data or by signing the authority form/s you agree to have your information stored in the cloud on secure servers.

Confirmation of Terms

Please sign and return the attached 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.