

CLIENT ENGAGEMENT LETTER

This document sets out the Terms and Conditions of our engagement and the nature and limitations of the services that Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting, Tax Agent Number 26012697 and its related and associated persons, including any partner, director, employee, consultant to or agent of Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting and its related or associated entities ("Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting"; "this firm"; "us"; "we") undertakes to provide to you in relation to this engagement ("this agreement"; "this engagement").

"**Client**" or "**you**" means the person, jointly and severally if more than one, acquiring goods or services from us in the Engagement Letter.

"**Engagement Letter**" means this document including the Terms and Conditions set out herein, schedules and annexures attached.

"**Services**" means the scope of the services specified in the Engagement Letter or as varied in accordance with these Terms and Conditions.

Purpose, Scope and Output of the Engagement

This firm will provide accounting, taxation and bookkeeping 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.

You accept that this Terms of Engagement, unless superseded, will apply to all entities in your client group, as well as all entities in which you have a controlling interest.

Period of Engagement

This engagement will commence upon acceptance of the Terms and Conditions of the Engagement Letter by the Client as referred under the sub-heading "Client Acknowledgement and Confirmation" herein. We will not deal with earlier periods unless you specifically ask us to do so and we agree.

Our Responsibilities

In conducting this engagement, information acquired by us in the course of this engagement, including information relating to your affairs whether it belongs to you or not or is provided by you or not, is subject to 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 assurances that confidentiality will be maintained throughout.

Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting is a registered tax agent. Our Tax Agent Registration Number is 26012697. We are regulated by the Tax Practitioners Board and are required to comply with the Tax Agent Services Act 2009, the Code of Professional Conduct and applicable Tax Practitioners Board requirements. You may verify our registration details by searching the Tax Practitioners Board Register. If you have a complaint about tax agent services or BAS services provided by us, you should contact us first so that we can attempt to resolve the matter. You may also make a complaint directly to the Tax Practitioners Board through its website. If any matter arises that we are required to disclose to you under the Tax Agent Services Act 2009, the Code of Professional Conduct or Tax Practitioners Board requirements, we will notify you in writing. At the date of this engagement, we are not aware of any prescribed matter or event that we are required to disclose to you, unless otherwise stated in writing. It is our duty under the Tax Agent Services Act 2009 to act lawfully in the best interests of the client and for the agent to act honestly and with integrity.

Your Responsibilities

Clients are required to arrange for full and complete access by us to relevant information and documents as determined by us in a timely manner and shall be responsible for and warrant 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, including cyber-attacks, 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. You have obligations under self-assessment to keep full and proper records in order to facilitate the preparation of accurate returns. It is your responsibility to keep those records for five (5) years or as determined by legislation. 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 me/us with all information that would be reasonably expected will be necessary to allow me/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 client by the practitioner. Inaccurate, incomplete or late information could have a material effect on services and/or conclusions. Any advice given to you is only an opinion based on our knowledge of your particular circumstances.

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

Tax Return Preparation Services

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 may accept claims made by a taxpayer in an income tax return and issue a notice of assessment, possibly 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 seven (7) 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 carefully 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 precise circumstances. You must provide full particulars and identity 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 may, but not always, 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 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.

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 the Client will ensure that:

- the bookkeeping for all business entities (including but not limited to PAYG, superannuation and taxes) are maintained accurately on a regular basis. It is recommended that all bookkeeping and record-keeping tasks be attended to weekly;
- reconciliations of bank accounts, debtors and creditors are performed at the end of each month for each of the business entities;
- a stock take will be performed during the last weekend in June for each entity holding trading stock;

Payroll Services

In undertaking this engagement, it is understood that the client acknowledges and accepts responsibility for:

- providing staff salaries, rates of pay and worked hours information to us, by the appropriate pay-run date(s);
- correctly characterising its staff as employees or contractors;
- correctly classifying its employees for the purposes of applicable industrial awards or workplace agreements;
- ensuring that entitlements paid to its employees comply with the applicable industrial awards and workplace agreements and obligations under the Fair Work Act 2009; and
- ensuring that its employees and contractors have the correct PAYG amounts withheld from each pay and the statutory rate of superannuation is paid by the due date.
- checking and approving all payroll information, pay runs, STP reporting and superannuation information before or after lodgement, as applicable; and
- advising us promptly of any changes to employees, contractors, pay rates, awards, ordinary hours, salary sacrifice arrangements, superannuation details or employment conditions in a timely manner.

Previous Returns

It is noted that we are not engaged to review the accuracy of previous returns lodged by 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. Unless instructed otherwise by the Client, we will not conduct a thorough due diligence of the Client and Client's

company/ companies' or trust's compliance history to ensure appropriate indemnities are in place to cover any risks and/or if there are any under-reported liabilities, in particular relating to director penalty regime and new directors.

Overdue Lodgements

You are legally responsible for attending to your taxation, BAS, IAS, payroll, superannuation, ASIC and other statutory lodgement obligations by the applicable due dates. We do not condone, endorse or support overdue taxation, BAS, IAS, payroll, superannuation, ASIC or other statutory lodgements. Where you have outstanding or overdue lodgement obligations, it is a condition of our engagement that those lodgements are brought up to date within a reasonable timeframe as determined by us. You agree to provide all information, documents, records and explanations required by us to prepare and lodge any outstanding returns, statements or forms. All work required to bring outstanding lodgements up to date will be charged as additional work, unless expressly included in a written fixed-fee arrangement or written quotation. Additional work may include, but is not limited to, reviewing prior-year records, reconstructing accounts, preparing overdue tax returns, BAS, IAS, payroll reports, superannuation reports, financial statements, ATO or ASIC correspondence, penalty remission requests, payment arrangement assistance and related advisory or administrative work. We may require payment of a deposit or upfront fee before commencing work on overdue lodgements. You acknowledge that penalties, interest, fines, director penalty notices, superannuation guarantee charge, ASIC late fees or other consequences may have arisen before our engagement commenced. We are not responsible for penalties, interest, fines or other liabilities arising from prior non-lodgement, late lodgement, incomplete records, inaccurate records, or delay in providing information to us. If you do not provide the information required to bring your lodgements up to date, or if you do not agree to bring outstanding lodgements up to date, we may decline to act, suspend our services, or terminate the engagement.

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 me/us to act in a manner that may be contrary to your directions. For example, I/we could not lodge an income tax return that I/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.

Professional Standards Scheme

As a member of the IPA, we are part of the IPA Professional Standards Scheme and our liability is limited by a Scheme approved under Professional Standards Legislation. For more information on the IPA Professional Standards Scheme or Professional Standards Schemes generally, please refer to: www.psc.gov.au.

Liability limited by a scheme approved under Professional Standards Legislation.

Limitation of Liability

Nothing in this agreement excludes, restricts or modifies any non-excludable statutory condition, warranty, guarantee, right, remedy or other benefit that is preserved by the *Competition and Consumer Act 2010* (Cth) or any other statutory provision.

If the *Professional Standards Act 2003* (Vic) or similar state or federal legislation ("Act") applies to limit our ability, then the Act overrides any clause in these terms that provides for a limit of liability in excess of the amounts provided by the Act, but does not override any clause that provides for a limit of liability below the amounts provided by the Act.

To the maximum extent permitted by law, we exclude all warranties, conditions and/or terms, other than those expressly set out in this agreement, including, but not limited to, all warranties, conditions and terms implied in fact or by law.

If we are liable for any breach of warranty, condition or term, then our liability is limited, at our option, to either the resupply of the services or payment of the reasonable cost of having the services resupplied.

In all other instances, other than as set out in this agreement, our total liability to you for any loss or damage (including indirect and/or consequential loss or damage) caused by, resulting from, or in relation to the Services, including, but not limited to, loss or damage arising from:

- breach of contract;
- negligence;
- any tort;
- equity;
- any statutory provision; or
- save for fraudulent or criminal conduct, any other conduct by us, (in each case, "Loss") and whether or not we were advised of the possibility of such Loss, is limited (to the extent permitted by law) to an amount equal to three times the fees paid by you in respect of the Services to which the claim relates.

If Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting has more than one client under this engagement, you agree that our total liability to all clients under this engagement is limited in accordance with this agreement, to be apportioned among the clients (including you).

To the maximum extent permitted by law, commencing on the earliest of three years from:

- the date of completion of the Services;
- the date of our final invoice for the provision of the Services; or
- the date this agreement is terminated, you release us from, and agree that you are estopped from commencing, any claim for any Loss in relation to:
- the performance or non-performance of the Services; and
- any act or omission in connection with the Services, whether in contract, tort (including negligence), equity, pursuant to statute or otherwise.

Indemnities

You agree to indemnify and hold harmless Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting from and against any loss (including legal fees on an indemnity basis), expense, damage, liability or claim by any person (including any third party) arising out of or in relation to;

- any breach of your obligations under this agreement;
- any wilful, unlawful or negligent act or omission of you, your officers, employees, agents, contractors or subcontractors in connection with this agreement.

Where Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting is engaged as company auditors under this engagement, this indemnity shall not apply to audit services provided under this engagement.

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.

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 Accountants	\$360.00 per hour
Accountants	\$240.00 per hour
Bookkeeping	\$99.00 per hour
Secretarial	\$176.00 per hour

All fees are GST-inclusive.

Where, as part of this engagement, the services of an external consultant or expert are required, an estimated cost and involvement will be provided to you for your approval. Where we engage third parties as your agent, we may ask you to provide us with sufficient funds in advance to pay their fees.

Our invoices may also include disbursements paid by us. These may include photocopying charges, telephone and facsimile transmission charges, travel fares and expenses, stamp duty and fees paid to third parties such as couriers, registration fees or fees for other professionals. These may be in addition to the fixed price (if applicable).

Monthly statements fees and Interest will be charged on late accounts at the prescribed ATO General Interest Charge (GIC), currently 11.43% p.a. We, or our agent or third party may also charge legal costs, mercantile and collection fees and their commissions.

Additionally, we have a lien over any and all of your documents that we hold and we may retain possession of all such documents until our account is paid in full. The lien extends to all documents of yours that we hold and not merely those, which relate to this engagement in respect of which fees remain unpaid.

Guarantee of Fees

By agreeing to engage us you personally guarantee the payment of Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting's fees, statement fees, interest, legal costs, mercantile costs and collection commissions and collections fees and notwithstanding that the fees may be invoiced in another structure or by another entity. The guarantee is of an ongoing nature and covers all amounts payable.

Each client in the group is jointly and severally liable to pay our fees in respect of all work performed for all members of the group, regardless of which of the listed individuals or entities those accounts are addressed to and regardless of which of the listed individuals or entities received the benefit of the work performed.

For each and every account or disbursement outstanding you grant in our favour a charge over any real property owned by you in which you hold a legal interest, now or in the future together with the right to lodge a caveat over such interest until all such accounts or disbursements are paid in full.

Ownership of documents

All original documents obtained from our clients arising from this 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.

Intellectual Property

Unless otherwise specified in the Engagement Letter, we own the copyright and all other intellectual property rights in everything we create in the course of providing the Services.

We may use or develop software, including spreadsheets, databases and other electronic tools ("tools") in providing the Services.

If we provide these tools to you, you acknowledge that they are not your property, were developed for our purposes and without consideration of any purpose for which you might use them, are made available on an 'as is' basis for your use only, and must not be distributed to or shared with any third party. We make no representation or warranties as to the sufficiency or appropriateness of the tools for any purpose for which you or a third party may use them. Any tools developed specifically for you and any restrictions on their use will be covered under the Engagement Letter.

You must own or have the right to provide any information that you provide to us.

You consent to us inserting your logos and other similar intellectual property on our deliverables where appropriate unless you notify us to the contrary. You must not use the Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting name or logo in any public statement, documents or website without firstly obtaining our written consent.

Dispute Resolution Process

If you have a dispute about an account or service, you may participate in a dispute resolution process. The dispute resolution process involves a meeting either in person or over the phone with a practice principle relating to the issue in dispute. If the dispute relates to an account, we will provide a timesheet itemising all time recorded for work performed for any invoice in dispute. If we verify the time recorded on an account, you agree to pay that account promptly. If you have a complaint other than the payment of an outstanding account you may approach the IPA to have complaint resolution process.

Confirmation of Terms

This letter will be effective for future years unless an amended engagement document has been entered into between our firm and you or 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.

Third-Party Involvement

In providing our services to you, we utilise cloud computing systems. For a complete list of cloud computing programs utilised by our firm, please contact us directly.

Personal Information

In providing services to you, we may use third-party software, cloud-based systems, secure client portals, electronic signing platforms, document storage systems, accounting software, tax lodgement systems and other business systems considered appropriate by us. By accepting this engagement, you authorise us to collect, store, process, transmit and access your personal information, business records, taxation information and related documents through these systems where reasonably necessary to provide our services. You acknowledge that information may be stored, backed up, accessed or processed in Australia or overseas by third-party software providers or service providers used by our firm.

We may also disclose relevant information to external parties where reasonably necessary to provide the services, where authorised by you, or where required or permitted by law. This may include external auditors, SMSF auditors, finance brokers, lenders, solicitors, barristers, valuers, financial advisers, bookkeepers, IT providers, software providers, government agencies and other professional advisers.

We will take reasonable steps to protect the confidentiality and security of information provided to us. However, you acknowledge that the use of electronic systems and cloud-based services carries inherent risks, including cyber security risks, unauthorised access, service outages, data loss and transmission errors.

If you do not consent to the use of cloud-based systems or the disclosure of information to relevant third parties, you must notify us in writing. If consent is withheld or withdrawn, we may be unable to provide some or all of the services and may terminate the engagement.

Termination of this Engagement

Subject to any statutory provisions that apply to the Services, and unless otherwise provided in the Engagement Letter, either party may terminate this engagement at any time by giving 30 days written notice to the other. Where 30 days written notice is not provided, we reserve the right to process any payments due and payable within the 30-day period, in lieu of notice. No refunds will be issued if the contract is terminated early. We also reserve the right to issue an invoice for the cost of services provided but not yet recovered by the scheduled direct debits. Where direct debits are in place, payment will automatically be processed for any outstanding invoice, including the final invoice raised, and payment processed for any outstanding balance within 7 days of the termination of this engagement without further notice, utilising the payment details supplied in this engagement. A party may terminate this engagement immediately if the other commits any material or persistent breach of its obligations under this agreement, in particular Terms and Conditions set out in the Engagement Letter (which, in the case of a breach capable of remedy, has not been remedied within 7 days of receipt by the party in breach of a notice identifying the breach and requiring its remedy), or if the other becomes insolvent.

In addition, we may terminate this engagement on reasonable notice if any of the following circumstances occur:

- you fail to pay our accounts on time;
- you fail to provide us with adequate instructions;
- your instructions involve acting contrary to the interests of another client;
- a conflict of interest has arisen or it is not appropriate for us to continue to act for you;
- we are no longer able to provide all or part of the Services to you because of applicable auditor independence rules or legislation without ceasing to be independent in relation to an audit client; or
- for any other just cause.

In addition to our other rights, upon termination you will be required to pay our charges for work done, and for any expenses incurred up to the date of termination together with our reasonable costs and expenses incurred in connection with the early termination of this engagement.

In the event of a Termination. We will not be held liable for any penalties, interest, fines etc levied as a result of the Termination.

Termination of this engagement is without prejudice to any rights that may have accrued before termination. The Terms and Conditions of this agreement which expressly or by implication are intended to survive its termination or expiry will survive and continue to bind the parties.

Force Majeure

No party will be liable to the other for any delay or failure to fulfil their obligations under this agreement to the extent that any such delay or failure arises from causes beyond their control, including but not limited to fire, floods, acts of God, acts or regulations of any government or supranational authority, war, riot, terrorist activities, strikes, lockouts and industrial disputes.

Severance

If any provision of this agreement is found to be illegal, unenforceable or otherwise invalid in whole or in part, such provision will be deemed not to form part of and will be severed from, this agreement. The enforceability of the remainder of this agreement will not be affected.

Entire Agreement

The Engagement Letter forms the entire agreement between the Client and Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting relating to the Services. It replaces and supersedes any previous proposals, correspondence, understandings or other communications either written or oral.

You accept and acknowledge that we have not made any warranties or guarantees of any nature in respect of the Services or satisfactory conclusion of the Services or with respect to the financial, economic, or other results which you may experience as a result of the provision of the Services.

Applicable Law

The agreement and the Services will be governed by the law of Victoria and Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting and the Client submits to the non-exclusive jurisdiction of the courts of Victoria.

Professional Indemnity Insurance

We hold professional indemnity insurance of at least the minimum amount prescribed in the IPA or CPA Australia Ltd By-Laws or as required by law.

Variation

We may add to or change these Terms and Conditions at any time including by varying fees.

Agreement with Terms of Engagement

I/we, the Client(s) and/or director(s) of the Company, understand and agree to the terms of this engagement of Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting. I/we acknowledge and warrant that I/we accept personal liability for the full cost of services provided to our entity(ies) should our entity(ies) fail to make payment of fees payable to Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting on time.

I/We each hereby irrevocably charge in favour of Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting all our respective rights, titles and interests in all personal property and real property that I/we each now hold or acquire in the future, and I/we each also authorise Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting to cause a caveat to be lodged in respect of all real property held by me/us in any state or territory of Australia charged by this clause. By signing below, I confirm I have the authority to contract on behalf of Client name. I hereby agree to the terms of engagement of Accounting Guidance & Business Solutions Pty Ltd trading as TJS Accounting as set out above in this letter of engagement.

Client Acknowledgement and Confirmation

By signing this Engagement Letter, you are providing 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.

Acknowledged for and on behalf of:

Name:	

Address:	

Signature:	Date:
_____	_____