

Taxation, Accounting and Advisory Services to Business

Terms of Engagement

Saward Dawson operates under the standards of the Chartered Accountants Australia and New Zealand ("CAANZ"). The CAANZ has issued standards and recommendations regarding the Terms of Engagement ("Agreement") between accountants and their clients.

This Agreement is prepared in accordance with those standards and recommendations and confirms our understanding of the nature and the limitations of the services we will provide to you.

Registered Tax Agent

Saward Dawson is a registered tax agent under the Tax Agent Services Act 2009 (TASA 2009). As a registered tax agent we are required to abide by the Code of Professional Conduct and the civil penalties provisions under the TASA 2009.

Purpose of Engagement

Our normal range of services for our business clients are listed below and Saward Dawson agrees to provide such of these services that are relevant to you unless you instruct otherwise.

Saward Dawson agrees to prepare and lodge for you:

- Annual financial statements
- Annual income tax returns, including estimates of your taxation position and advice about taxation payments
- Minutes of meetings of directors, trustees and shareholders as required
- Company annual review forms and company changes forms
- Fringe benefits tax returns
- Activity statements

Saward Dawson also agrees to provide additional services as requested by you including taxation planning advice, general business advice, consulting services and assistance with the preparation of budgets and forecasts.

Scope of our Services

Saward Dawson will provide the above services 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 will be limited exclusively for this purpose. 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.

Annual financial statements, taxation returns and reports will be prepared for distribution to the relevant specific organisation or party for the purpose specified in the report or as agreed. We disclaim any assumption of responsibility for any reliance on our professional services to any party other than as specified or agreed, and for the purpose which it was prepared. Where appropriate, our report will contain a disclaimer to this effect.

Advice given by Saward Dawson will be based on our knowledge of your particular circumstances and based on Australian taxation law in force at the date of the provision of the advice. Australian taxation laws are subject to frequent changes. Therefore, it is your responsibility to seek updated advice if you intend to rely on our advice at a later stage.

What you are to do

Saward Dawson encourages our clients to attend to their own basic bookkeeping and record keeping requirements and will assist as requested. This gives you a better knowledge of your business and helps reduce the cost. The completeness and accuracy of the information you supply will affect the relevance and reliability of the Financial Statements, Income Tax Returns and other reports we prepare.

Under the Australian self-assessment system, you are responsible for the accuracy and completeness of the information in your income tax return. Under this system, the Taxation Office will generally accept the claims made in your income tax return without further adjustment. However, the Taxation Office reserves the rights to further review provided that the review is undertaken within a certain time frame.

Unless otherwise agreed, you will be responsible for:

- Entries into your business computer records
- Reconciling the bank accounts on a regular basis
- Maintenance and reconciliation of your business wage records
- Maintenance and reconciliation of your accounts receivable and accounts payable listings
- Providing sufficient information to enable us to appropriately record deposit, payment and other transactions where you engage us to maintain cash or general ledgers for you

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- Obtaining and retaining sufficient records to substantiate claims made for income tax deductions
- Retaining copies of all tax records and for Goods and Services Tax (GST) purposes all tax invoices (if applicable) for a period of time specified by the law

Please refer to our FocusOn Keeping Records for more information on your record keeping obligations.

You are also required to provide us with all relevant information as well as other information that we have requested within a reasonable period of time of the request. You should also inform us on a timely basis if there are any changes to your circumstances that may be relevant to the performance of our services and includes any event which may result in us becoming unable to remain objective in the performance of our services to you.

Under the TASA 2009, you will benefit from a safe harbour from certain tax and Business Activity Statement (BAS) administrative penalties when using a registered tax agent, provided that you give us all the relevant taxation information for the engagement in sufficient time. 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.

Responsibilities & Confidentiality

In conducting this engagement, it is our duty to act in your best interests. However, this duty is subject to an overriding obligation to comply with the law.

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 consent.

We wish to advise that our firm's system of quality control 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 program of 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.

You are required to arrange for reasonable access by us to relevant individuals and documents, and to be responsible for both the completeness and accuracy of the information supplied to us.

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.

Professional Fees and Payment Terms

Our fees are based on the time required to complete your work. The hourly rates vary depending upon the level of

experience of the team member involved. Hourly rates are reviewed each year.

Saward Dawson will provide our services cost effectively to you by assigning the appropriate level team member to your work. Our invoices contain details of the services performed.

Where due to unforeseen circumstances, the fee is, or is likely to be, substantially greater than anticipated or expected, Saward Dawson will discuss the matter with you as soon as possible.

Our normal practice is to invoice for our services progressively as the work is processed. We will normally issue one progress bill and one final bill.

Our payment terms are payment due in full no later than 14 days from issue of Invoice. If the amount payable on the Invoice is not paid within 30 days of the date of that Invoice, then Saward Dawson reserves its right to charge you interest on the total unpaid amount calculated 30 days from the date of the Invoice until the actual date of payment at the rate of 12% per annum calculated daily.

The client is liable for all reasonable expenses (including contingent expenses such as debt collection commission) and legal costs (on a full indemnity basis) incurred by them for enforcement of obligations and recovery of monies due from the client to Saward Dawson.

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:

<https://www.psc.gov.au/sites/default/files/logos/2019%20CAANZ%20Scheme.pdf>

Ownership of Documents

All original documents obtained from you arising from this engagement shall remain your property. 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 Statements, Income Tax Returns and other reports and documents, including, if applicable, electronic documents or files, which will be supplied to you. Ownership of these documents will vest in you. All other documents produced by us in respect of this engagement will remain property of Saward Dawson.

Saward Dawson 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 procedures.

Confirmation of Terms

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