

Terms of Engagement – Self Managed Superannuation Funds

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 accounting services for our Self Managed Superannuation Fund clients are listed below and Saward Dawson agrees to provide such of these services that are relevant to you unless you instruct otherwise.

Accounting Services

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 trustees
- Activity statements

Saward Dawson also agrees to provide additional services as requested by you including general administration, pension administration, retirement planning advice and consulting services.

Scope of our Accounting 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. 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. Under the Superannuation Industry (Supervision) Act 1993 the fund's financial statements and reports are required to be audited annually. The auditor will issue separate terms of engagement.

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 fund and helps reduce the cost to you. 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. Unless otherwise agreed, you will be responsible for:

- Entries into your fund computer records
- Reconciling the bank accounts on a regular basis
- 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
- Obtaining and retaining sufficient records to substantiate investment capital gains tax information
- Obtaining and retaining sufficient records to substantiate claims made for income tax deductions

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- Retaining copies of all tax records for a period of five years
- Retaining copies of all tax invoices for GST purposes where appropriate for a period of five years
- Providing to us information requested within a reasonable period of time of the request from Saward Dawson

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 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 [Institute of Chartered Accountants of Australia / CPA Australia / National Institute of 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 this program. Should this occur, we will advise you.

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.

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.

Professional fee 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 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.

Responsibilities

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

Our payment terms are payment due in full no later than 7 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.

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:

<https://www.psc.gov.au/sites/default/files/logos/2019%20AANZ%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.