

16 July 2020

Trustee of
Darcy Kennedy Service Trust Superannuation Benefit
Unit 507, 18 Fairway Drive
NORWEST NSW 2153

Dear Michael and Kaylene

RE: SELF MANAGED SUPER FUND TERMS OF ENGAGEMENT

We are pleased to accept the appointment as your Accountant and Tax Agent for your Self Managed Super Fund and now set out our understanding of the scope and terms of this engagement.

If you are satisfied with the contents, please sign a copy of this engagement letter and return it to our office for the completeness of our files.

Covered in this agreement

You have requested that we complete accounting documents for the following entities:

- Darcy Kennedy Service Trust Superannuation Benefit
- M & K Kennedy Pty Ltd

We will prepare returns based on your records.

Engagement output

We are moving towards a more holistic approach for management of your fund which will incorporate the following objectives:

- Services tailored to your fund.
- Provide an annual package fee, thereby eliminating any unforeseen additional costs throughout the year.
- Provision of access to real time live data as opposed to a snapshot after the end of each financial year.

The details of reports and services identified for your fund are listed below;

- Preparation of the Annual Financial Accounts, including the Profit and Loss Statement and the Balance Sheet.
- Preparation of Tax Return.
- Pension Reviews including pension commencement and commutation documentation.
- Annual Investment Strategy Review.
- Preparation of Transfer Balance Cap Reporting.
- Binding Nomination Review.
- Preparation of the Company's ASIC Annual Statement and Solvency Statement and Attend to annual ASIC statutory requirements.



- Organisation of Actuarial Certificate.
- Live Data Access – including regular monthly review of your data.
- Advice as requested from time to time and services generally.

As you are aware, it is compulsory for funds to hold an Investment Strategy and for it to be reviewed on a regular basis. Given the impact of COVID-19 on asset values it is now more important than ever to review strategies and ensure they continue to comply with fund investment portfolios.

As a result, your new package will include an updated Investment Strategy. This will be prepared and sent to you for review and approval in July/August this year.

With respect to Corporate Secretarial engagements we will be responsible for maintaining the company register including filing original minutes and notifying you the due date for annual statements.

Timing

This engagement is for the taxation year ended 30 June 2020 and will be conducted between 1 July 2020 and 31 Dec 2020 subject to ATO due dates and availability of records. The estimated date for commencement is outlined below:

- Tax - the completion date is managed with you once you submit your information

This engagement document is determined as a “recurring engagement” and will be effective for future years unless we issue an amended one to you.

Your Responsibilities

To help us prepare your financial accounts and income tax returns, you will need to provide us the following, if relevant to the financial year in question:

- Access to fund bank feeds and/or bank statements on a monthly basis.
- Copies of your business activity statements and any adjustments that were reported to the ATO.
- Copies of the loan documents including contracts.
- The invoices and details of new assets purchased and/or sold.
- Other items as requested and pertinent to the accurate reconciliation of your accounts.

You also acknowledge that the reliability, accuracy and completeness of the accounting records are your responsibility and that you have disclosed to us all material and relevant information.

How fees are calculated

Our fees are calculated based on time spent on the assignment by our personnel in accordance with hourly rates current at the time the service is performed. We endeavour to estimate our fees in advance and document the costs associated with our service. In most cases we are accurate with our estimate based on the preliminary information provided by you and our experience with similar engagements.

Our fee estimate may vary due to additional transactions and the technical application of the tax law may lead to an increase in fees and we reserve the right to render tax invoices for the actual time spent on your assignment.

Professional fees are exclusive of expenses and disbursements unless the engagement letter states otherwise. You agree to pay Visionary Advisors reasonable disbursements incurred in connection with the service (such as courier services, registered auditor costs, ASIC fees, ATO fees and third-party ledger and lodgement costs).

We estimate our fees for the 2020 SMSF engagement to be as follows:

Description	Net	Gross
2020 Super Fund compliance, including:		
-Financial Statements		
-Tax Return		
-Pension Review, Commencement & Commutations		
-Annual Investment Strategy review		
-Transfer Balance Cap reporting		
-Binding Nomination Review		
-Live Data Access		
-Annual ASIC statutory requirement*		
-Disbursement - Ledger charges associated with ATO practice lodgement services (Class)		
-Disbursement - Actuarial Fee		
-Disbursement – Audit Fee		
TOTAL	\$4,510.00	\$4,961.00

*excludes fees issued by ASIC.

excludes ATO levy of \$259.

Please note: Your SMSF invoices must be paid from this entity to ensure the contribution caps are not breached.

General Enquiries and Advice

From time to time you may require advice on tax or business matters that requires our skill, care and attention. We will accept your verbal enquiry as our instructions to service you without re-issuing a new engagement. Separate invoices will be issued for the services provided in this situation.

If we estimate the cost of the general enquiry, service or advice will be greater than \$1,000.00 excluding GST, we will may issue another engagement or renegotiate the fees with you.

Our standard hourly rates for work outside of our fixed fee arrangement (excluding GST) is:

Principal	\$330
Manager	\$240
Accountant	\$190

Confidentiality

Any information acquired by us during our engagement, including any information relating to your affairs whether it belongs to you or is provided by you is subject to strict confidentiality requirements.

Information will not be disclosed by us to other parties except as required or allowed for by law or regulations, or with your express consent unless, we determined that disclosure of the non-compliance or suspected non-compliance to an appropriate authority is an appropriate course of action in the circumstances. Further details regarding confidentiality can be found in the terms attached to this engagement letter.

Electronic Correspondence

On completion of your engagement, we may email all formal documents pertaining to the SMSF to the one email address for review and signature. If you prefer the individual privacy of your personal return or other connected entities, please note this in writing so we may update your personal file. In the absence of your instructions, we will transfer the completed documents using the email you have provided us.

Payment terms

MONTHLY INSTALMENTS

Our preference is for you to pay by monthly instalments over the next five (5) months.

Commencing 12 August 2020, a monthly instalment will be debited from your nominated account and the last instalment being on 12 December 2020.

Your Total Invoice is \$4,961.00

Monthly Instalment will be \$992.20

To commence the monthly instalments could you please fill in and sign the Direct Debit form provided at the end of this document.

You will receive a monthly invoice by email for GST purposes.

To comply with SIS regulations, you are required to make the SMSF payment from the fund.

Please note that if Visionary Advisors completes any part of this engagement prior to the final monthly instalment occurring, we reserve the right to prepare an invoice for work that has been completed.

Payment by Electronic means: Our preference is to be paid by electronic means. The payment details are displayed at the bottom of the invoice. You may also pay via credit card through our Visionary Advisors website.

Direct Debit: We have included a Direct Debit Request form to complete should you prefer the fee debited from your account.

A credit facility that allows you to pay by Fee funding: You may benefit from spreading the cost of your professional fees over monthly instalments by a fee funding facility. Charges do apply to the fee funding facility, which can be quantified at the time.

Detailed time records

Detailed time records for engagement estimates will not be provided on the tax invoice. Your invoice will include the wording **"As per your engagement"**.

If you wish to receive a breakdown of time entries on hourly time costing engagements, we will disclose the breakdown of time entries provided you request the details in writing within seven days of the issue of the tax invoice.

Any dispute in relation to time entries or records will not be recognised and acted upon unless notified to us within 14 days of you receiving details of the time incurred and invoiced.

We retained the right to charge interest on tax invoices which are not paid by the due date. Interest will be calculated compounded daily at a rate of 6% above the prevailing Reserve Bank of Australia official cash rate. We reserve the right to recover all default costs and enforcement expenses in the event tax invoices are not paid by the due date and recovery action is necessary.

Your team

The accounting staff who are supporting your work with us are:

Dene Kilpatrick	denek@visionaryadvisors.com.au
Jillian Dwyer	jilliand@visionaryadvisors.com.au
Phillip Keating	phillipk@visionaryadvisors.com.au
Danielle Cannizzo	daniellec@visionaryadvisors.com.au
Larissa Mould	larissam@visionaryadvisors.com.au
Rebecca Avar	rebecca@visionaryadvisors.com.au
Kathryn McAllister	kathrynm@visionaryadvisors.com.au

Formalities

To proceed with this agreement please sign the declaration below.

On receipt of your paper work, we will take this as an acceptance of your engagement and we will commence work.

Following this cover is the formal information we provide you in accordance with my professional body CPA Australia.

Kind regards



Dene Kilpatrick
Principal

Purpose, Scope and Output of the Engagement

This firm will provide 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 and services will be limited exclusively for this purpose only. As a result, no audit or review will be performed by us and, accordingly, no assurance will be expressed. An exception exists with SMSF, where we may engage in independent third party on your behalf, as required by law, to audit the fund. Any assurance provided by an auditor will be under their terms of engagement directly with you. 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.

Documentation will be prepared for distribution to you for the agreed purpose. There is no assumption of responsibility for any reliance on our report by any person or entity other than you. 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.

Period of Engagement

This engagement will cover the above financial periods contained in the cover letter. We will not deal with earlier periods unless you specifically ask us to do so and we agree.

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 CPA 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. Should this occur, we will advise you.

We may collect Personal Information about your representatives, your clients and others when we provide services to you. If we do, you agree to work with us to ensure that we both meet the obligations that we each may have under the Privacy Act 1988 (Cth) (as amended) (Privacy Act). The obligations may include notifying the relevant person to whom the personal information relates who we are and how we propose to use their personal information. Where you have collected personal information, you confirm that you have collected the personal information in accordance with the Privacy Act, that you are entitled to provide this personal information to us and that we may use and disclose the personal information for the purpose/s we provide our services to you. We will handle personal information in accordance with the Privacy Act.

Our engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may exist. However, we may, as part of our responsibilities as a member in public practice, take steps and actions are set out in section 225 of the code, "responding to non-compliance with laws and regulations". These include but are not limited to the following. During the course of our engagement, if we identify or suspect that non-compliance with laws or regulations has occurred or may occur, which may have a direct effect on material amounts or disclosures in the financial statements or compliance with which may be fundamental to the operating aspects of your business, and your ability to continue its business or to avoid material penalty, we will discuss the matter with the appropriate level of management, those charged with the governance or the internal auditor, as appropriate, to enable you to rectify, remediate or mitigate the consequences of the identified or suspected non-compliance or deter the commission of the non-compliance where it is not yet occurred. We will consider whether to communicate the non-compliance or suspected non-compliance with the external auditor, unless prohibited by law or regulation. We will also consider, based on the materiality and/or significance of the matter, whether further action is needed in the public interest. Further action may include disclosing the matter to an appropriate authority even when there is no legal or regulatory requirement to do so or withdrawing from the engagement and the professional relationship where permitted by law or regulation. Where appropriate we will inform you of our intention to disclose the matter to an appropriate authority before disclosing the matter. However, if we have reason to believe that the actual or intended conduct would constitute an imminent breach of a law or regulation that would cause substantial harm to investors, creditors, employees or the general public, we may immediately disclose the matter to an appropriate authority in order to prevent or mitigate the consequences of such imminent breach of law or regulation.

With the exception of SMSF, we understand that an audit of the financial accounts is not required, and therefore we will not be expressing an opinion as to the truth and fairness of the statements. However, we will inform you of any such matters that come to our attention.

You are responsible for the reliability, accuracy and completeness of the accounting records, particulars and information provided and disclosure of all material and relevant information. 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. Any advice given to you is only an opinion based on our knowledge of your circumstances. You or your staff are responsible for maintaining and regularly balancing all books of accounts, and the maintenance of an adequate accounting and internal control system. You have obligations under self-assessment to keep full and proper records in order to facilitate the preparation of accurate returns. It is the Client's responsibility to keep those records for five (5) years.

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 will accept claims made by a taxpayer in an income tax return and issue a notice of assessment, usually 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 four (4) 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 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 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 circumstances. You must provide a description of all 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 do the private ruling is ineffective.

If you rely on a private ruling you have received, the Commissioner must 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, or the Commissioner fails to issue such a 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.

Fees

The fee arrangement is based on the expected amount of time and the level of staff required to complete the services as agreed. The fee is *excluding* miscellaneous expenses which are incurred to complete the engagement. This fee arrangement will be subject to change if the following circumstances should occur:

- You have purchased or sold assets;
- You have financed or refinanced;
- You have restructured your business or your internal accounting systems;
- We are required to prepare on your behalf specific taxation elections or rulings;
- Your accounting records are incomplete or unreconciled.
- You have made enquiries or requested advice or specific services throughout the year outside of the documents prepared included in the compliance scope of work.

We will invoice you on a time cost basis either at the time the additional work is provided or on the final invoice for this engagement.

Our preferred payment method is by electronic means.

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 various legal documents and reports. Ownership of these documents will vest in you. All other work papers and supporting 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.

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.

Kind regards

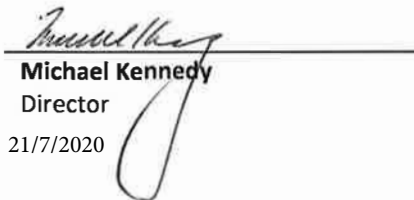


Dene Kilpatrick
Principal

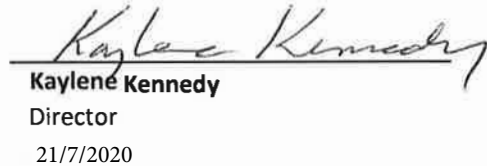
Date:

Acceptance, understanding & acknowledgement

- I confirm that I have read and understood your fee proposal and the attached terms of business (terms).
- I am authorised to enter into this agreement on behalf of my family group, the company, person or other entity named in this agreement.



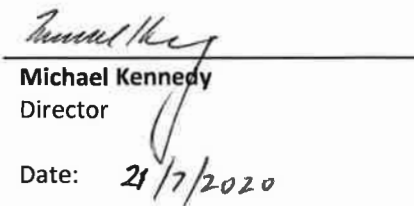
Michael Kennedy
Director
21/7/2020



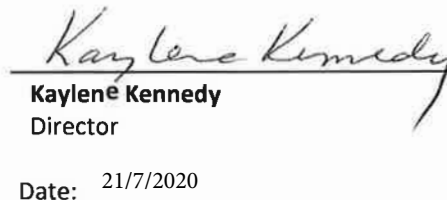
Kaylene Kennedy
Director
21/7/2020

Personal guarantee


In consideration of Visionary Advisors agreeing to provide the requested accounting and taxation work from time to time, I personally guarantee payment to Visionary Advisors for all amounts owed or that may become due and owing to Visionary Advisors by me or an entity I am associated with in this agreement. I acknowledge this is a continuing guarantee and will not be affected by any fact, matter or circumstance, including but not limited to any insolvency of mine or any entity I am associated with.



Michael Kennedy
Director
Date: 21/7/2020



Kaylene Kennedy
Director
Date: 21/7/2020

 <p>VISIONARY ADVISORS Level 4, 16A Bolton Street NEWCASTLE NSW 2300</p>	<h2 style="text-align: center;">Direct Debit Request</h2>
<p>Request and Authority to debit the account named below to pay GOONOONGLA PTY LTD T/AS VISIONARY ADVISORS</p>	
<p>Request and Authority to debit</p>	<p>Your Surname or company name <u>DARCY KENNEDY SERVICE TRUST</u> <u>SUPERANNUATION BENEFITS FUND</u> Your Given names or ABN/ARBN <u>"you"</u></p> <p>request and authorise VISIONARY ADVISORS, User ID 488249 to arrange, through its own financial institution, a debit to your nominated account any amount VISIONARY ADVISORS, has deemed payable by you.</p> <p>This debit or charge will be made through the Bulk Electronic Clearing System (BECS) from your account held at the financial institution you have nominated below and will be subject to the terms and conditions of the Direct Debit Request Service Agreement.</p>
<p>Insert the name and address of financial institution at which account is held</p>	<p>Financial institution name <u>BT</u> Address _____ _____</p>
<p>Insert details of account to be debited</p>	<p>Name/s on account <u>DARCY KENNEDY SERVICE TRUST SUPERANNUATION BENEFITS FUND</u> BSB number (Must be 6 Digits) <u> 2 6 2 - 7 8 5 </u> Account number <u> 8 8 0 6 0 7 2 0 0 </u></p>
<p>Acknowledgment</p>	<p>By signing and/or providing us with a valid instruction in respect to your Direct Debit Request, you have understood and agreed to the terms and conditions governing the debit arrangements between you and VISIONARY ADVISORS as set out in this Request and in your Direct Debit Request Service Agreement.</p>
<p>Insert your signature and address</p>	<p>Signature <u>Michael Kennedy Director</u> (If signing for a company, sign and print full name and capacity for signing eg. director) Address <u>Unit 507 18 Fairway Drive</u> <u>NORWEST NSW 2153</u> Date <u>21 / 7 / 2020</u></p>
<p>Second account signatory (if required)</p>	<p>Signature <u>Keylene Kennedy Director</u> (If signing for a company, sign and print full name and capacity for signing eg. director) Address <u>Unit 507 18 Fairway Drive</u> <u>NORWEST NSW 2153</u> Date <u>21 / 7 / 2020</u></p>

Direct Debit Request – Service Agreement

The following is your Direct Debit Service Agreement with GOONONGLA PTY LTD T/AS VISIONARY ADVISORS, ABN 36 158 400 223, User ID 488249. The agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with us. It also details what our obligations are to you as your Direct Debit Provider.

We recommend you keep this agreement in a safe place for future reference. It forms part of the terms and conditions of your Direct Debit Request (DDR) and should be read in conjunction with your DDR form.

Definitions

- **account** means the account held at *your financial institution* from which we are authorised to arrange for funds to be debited.
- **agreement** means this Direct Debit Request Service Agreement between *you* and *us*.
- **banking day** means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.
debit day means the day that payment by *you* to *us* is due.
- **debit payment** means a particular transaction where a debit is made.
- **direct debit request** means the Direct Debit Request between *us* and *you*.
- **us** or **we** means VISIONARY ADVISORS, (the Debit User) *you* have authorised by signing a *direct debit request*.
- **you** means the customer who signed the *Direct Debit Request*.
- **your financial institution** means the financial institution nominated by *you* on the DDR at which the *account* is maintained.

1. Debiting your account

By signing a *Direct Debit Request*, *you* have authorised *us* to arrange for funds to be debited from *your account*. *You* should refer to the *Direct Debit Request* and this *agreement* for the terms of the arrangement between *us* and *you*.

We will only arrange for funds to be debited from *your account* as authorised in the *Direct Debit Request*

If the *debit day* falls on a day that is not a *banking day*, we may direct *your financial institution* to debit *your account* on the following *banking day*.

If *you* are unsure about which day *your account* has or will be debited *you* should ask *your financial institution*.

2. Amendments by us

We may vary any details of this *agreement* or a *Direct Debit Request* at any time by giving *you* at least fourteen (14) days' written notice.

3. Amendments by you

You may change, stop or defer a debit payment, or terminate this agreement by providing *us* with at least fourteen (14) days' notification by writing to: VISIONARY ADVISORS **or** by telephoning *us* on (02) 4926 7100 during business hours **or** arranging it through *your own financial institution*.

4. Your obligations

Is *your* responsibility to ensure that there are sufficient clear funds available in *your account* to allow a *debit payment* to be made in accordance with the *Direct Debit Request*.

If there are insufficient clear funds in *your account* to meet a *debit payment*:

- *you* may be charged a fee and/or interest by *your financial institution*;

- *you* may also incur fees or charges imposed or incurred by *us*; and
- *you* must arrange for the *debit payment* to be made by another method or arrange for sufficient clear funds to be in *your account* by an agreed time so that *we* can process the *debit payment*.

You should check *your account* statement to verify that the amounts debited from *your account* are correct

If VISIONARY ADVISORS is liable to pay goods and services tax ("GST") on a supply made in connection with this *agreement*, then *you* agree to pay VISIONARY ADVISORS on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

5. Dispute

If *you* believe that there has been an error in debiting *your account*, *you* should notify *us* directly on (02) 4926 7100 and confirm that notice in writing with *us* as soon as possible so that *we* can resolve *your* query more quickly. Alternatively *you* can take it up with *your financial institution* direct.

If *we* conclude as a result of our investigations that *your account* has been incorrectly debited *we* will respond to *your* query by arranging for *your financial institution* to adjust *your account* (including interest and charges) accordingly. *We* will also notify *you* in writing of the amount by which *your account* has been adjusted.

If *we* conclude as a result of our investigations that *your account* has not been incorrectly debited *we* will respond to *your* query by providing *you* with reasons and any evidence for this finding in writing.

6. Accounts

You should check:

- with *your financial institution* whether direct debiting is available from *your account* as direct debiting is not available on all accounts offered by financial institutions.
- *your account* details which *you* have provided to *us* are correct by checking them against a recent *account* statement; and
- with *your financial institution* before completing the *Direct Debit Request* if *you* have any queries about how to complete the *Direct Debit Request*.

7. Confidentiality

We will keep any information (including *your account* details) in *your Direct Debit Request* confidential. *We* will make reasonable efforts to keep any such information that *we* have about *you* secure and to ensure that any of *our* employees or agents who have access to information about *you* do not make any unauthorised use, modification, reproduction or disclosure of that information.

It only disclose information that *we* have about *you*:

- (a) to the extent specifically required by law; or
- for the purposes of this *agreement* (including disclosing information in connection with any query or claim).

8. Notice

If *you* wish to notify *us* in writing about anything relating to this *agreement*, *you* should write VISIONARY ADVISORS.

We will notify *you* by sending a notice in the ordinary post to the address *you* have given *us* in the *Direct Debit Request*.

Any notice will be deemed to have been received on the third *banking day* after posting.