

8<sup>th</sup> May 2018

John Shipp Superannuation Fund  
1B/66 Great Eastern Highway  
RIVERVALE WA 6103

Dear John

RE: Engagement of our services

Further to our recent discussions, we are pleased to accept the appointment as your accountant and business advisors and now set out our understanding of the scope, terms and limitations of this engagement

Purpose, Scope and Output of Engagement

We will provide the following services, which will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB) and with the Income Tax Act 1936 and 1997.

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.

This engagement includes as follows:-

1. Preparation of the Annual Financial Accounts, including the Profit and Loss Statement and the Balance Sheet.
2. Preparation of Income Tax Returns.
3. Preparation of the Company's ASIC Annual Statement and Solvency Statement.
4. Preparation of Company Minutes etc. to comply with statutory requirements.
5. Review and assist in preparation of your BAS/GST, PAYGW and PAYGI obligations to the ATO as necessary.
6. Preparation of any Payroll Tax obligations.

7. Preparation of your FBT Return and any FBT Declarations.
8. Review of your financial accounts to ensure consistency with the FBT return.
9. When requested, advising or instructing staff on the maintenance of the accounting and internal control systems.
10. With respect to Corporate Secretarial engagements we will be responsible for any Director, Member and address changes as required.
11. Advise as requested from time to time

Will be prepared for distribution to authorized representative of the client 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 the report. 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 affect.

If we are requested to provide other specific service(s) they will be the subject of a separate engagement letter and thus a separate fee.

#### Period of Engagement

This engagement will start on 1<sup>st</sup> July 2016. The first period for which we will be responsible is tax year ending 30 June 2017. We will not deal with earlier periods unless you specifically ask us to do so and we agree.

This engagement document will be effective for future years unless we issue an amended one to you.

#### Responsibilities

In conducting this engagement, information acquired by us in the course of the engagement, including any information relating to your affairs whether it belongs to you or not or is provided by you or not, 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 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 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. The same strict confidentiality requirements apply under this program as apply to us.

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(Cwth) (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.

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 particular 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 your 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 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 circumstances. You must provide a description 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 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, 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.

To help us prepare your Financial Accounts and Income Tax Returns, you will need to provide us the following:

1. Up-to-date and reconciled General Ledger/Cash Book.
2. Copies of your Business Activity Statements that were reported to ATO.
3. Any loan documentations.
4. Copy of Bank Statements.
5. Details of new assets purchased and sold (including cars for FBT purposes).
6. Completed FBT Questionnaire.
7. PAYGW summaries
8. Listing of superannuation payments by the employee.
9. Other items as requested from time to time.

#### Involvement of Others

Where, as part of our engagement, the services of an external consultant or expert are required, as estimated cost and timeframe and involvement will be provided to you for your approval.

#### Outsourced Services

Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of outsourced services as described.

#### Storage of Personal Information

By signing this letter and accepting these services you acknowledge and agree that your personal information may be stored overseas.

#### Fees

Our fees, will be billed as on annual fee, are based on the time required by the individuals assigned to the engagement plus direct out-of-pocket expenses. Any additional fee for an additional service not covered in the scope of this engagement will be billed separately.

Accounts for services provided will be forwarded to you at the completion of end of year accounting work.

Payment of any account is required to be made within 7 days, unless special alternative arrangements are made with us prior to the due date.

### 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 you arising from the 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 documents of the engagement including Financial Statements, Income Tax Returns and any other documents which we are specifically engaged to prepare, if applicable electronic documents or files, which will be supplied to the client, such as Income tax returns or financial statements. Ownership of these documents will vest in you.

All other documents produced by us including general journals, working papers, the general ledger, draft financial statements and copies of tax returns in respect of this engagement will remain the property of us, subject to any statutory obligations.

### Lien on Documents

In relation to any subsequent termination of our services, you are advised that we shall be entitled to retain all documents belonging to you and any related parties we act for until payment is received in full for all outstanding fees.

### Disclaimers

The information I have provided you is purely factual in nature and does not take account of your personal objectives, situation or needs. The information is objectively ascertainable and, therefore, does not constitute financial product advice. If you require personal advice you should consult an appropriately licensed or authorized financial advisor.

The advice provided is not "financial product advice" as defined by the Corporations Act. I am not licensed to provide financial product advice and taxation is only one of the matters that you need to consider when making a decision on a financial product. You should consider seeking advice from an Australian Financial Services licensee before making any decisions in relation to a financial product.

### 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 you of any change.

If you would like to discuss any matters in relation to the terms of our engagement or the contents of this letter, please do not hesitate to the writer.

Yours faithfully



Bradley Woodgate

Acknowledged on behalf of John Shipp Superannuation Fund by

JS 

John Shipp

Date: