

Visionary Advisors  
Level 4 16 a Bolton Street  
NEWCASTLE NSW 2300

6 February 2020

**Frederic Ashton**  
**Fryer Bay Investments Super Fund**  
26 Prince Street  
Paterson 2421  
NSW  
Australia

Dear Frederic Ashton,

The purpose of this letter is to confirm and set out the terms of our engagement to perform annual accounting services for **Fryer Bay Investments Super Fund** and outlines the nature and extent of the services we will provide.

#### **Primary Assignment**

Using information supplied by you, we will use our professional skills to compile annual financial statements and an income tax return for the period ended 30 June 2019.

In accordance with APES 315 : Compilation of Financial Information we will compile the special purpose financial statements of **Fryer Bay Investments Super Fund** for the year ended 30 June 2019 to be set out in the Profit and Loss for the year then ended, the Balance Sheet as at 30 June 2019, a summary of significant Accounting Policies, and explanatory Notes to the Financial Statements. If necessary, additional explanations will be added to ensure that a true and fair view is given.

The specific purpose for which the special purpose financial statements have been prepared will be set out in Note 1 to the Financial Statements. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial statements are set out in Note 1.

Periodic accounts for management are not governed by legislation and will be prepared on the basis requested by management.

We will provide a compilation report with all financial statements that include a Profit and Loss Report.

In Appendix 1 to this letter we provide a copy of our compilation report reflecting these points which will be issued on completion of the engagement and will be attached to your financial statements.

We will prepare income tax returns on behalf of the associated parties as agreed from the financial information you have provided and from additional material and facts you provide in writing.

**We will not** audit, review or otherwise attempt to verify, validate or provide assurance on the accuracy or completeness of such financial information and material provided. The outputs that are compiled for you cannot be relied upon to detect error or fraud.

**We will not** take active steps to identify weaknesses in your internal accounting system, errors, illegal acts or other irregularities, for example, fraud or non compliance with laws and regulations.

## Your Responsibilities

It is understood and agreed that you:

1. provide us with accurate and complete information necessary to compile the financial statements and income tax returns promptly;
2. accept responsibility for the accuracy and completeness of all records and information supplied to us and you accept responsibility for any failure to supply us with all relevant records and information;
3. remain responsible for the reliability, accuracy and completeness of the financial information compiled, including income tax returns;
4. note that each page of the financial statements must be read in conjunction with the notes to the financial statements and the accompanying compilation report;
5. acknowledge that the financial statements and income tax returns are compiled at your request, for your purposes only, and that Visionary Advisors will not be liable for any losses, claims or demands by any third party;
6. acknowledge that the financial statements will be compiled in accordance with APES 315, and are responsible for determining that the accounting policies used are consistent with the financial reporting requirements of **Fryer Bay Investments Super Fund**, and are appropriate to meet the needs of the directors and members of the company or the trustees and beneficiaries of the Trust or the partners of the Partnership or the principal of the business.
7. acknowledge that your acceptance of this compilation engagement letter provides us with the authority to obtain any further information from the Australian Tax Office, or any other third party necessary to complete the financial statements and tax returns (including the tax returns of any related parties) and to place them on our agency listing with the ATO.

## Limitations of our Assignment's Scope

Due to the limited scope of the work performed in a compilation, this engagement cannot be relied upon to prevent or detect fraud, irregularities or error. Therefore we wish to emphasise that control over and responsibility for the prevention and detection of fraud, irregularities and error must remain with management.

## Information and Disclosure

The conduct of this engagement is in accordance with the professional standards, rules and ethical requirements of the **[insert the body to which you are affiliated]**. Information we obtain in the course of this engagement is subject to confidentiality requirements, in addition to our obligations under the relevant Privacy Act legislation. We will not disclose that information to other parties, without your express consent, except as required by law or professional obligations.

However, as members of the **[insert the body to which you are affiliated]**, we are subject to and bound by the disciplinary procedures and rules of this body, and our work and files are subject to the practice review rules of this body under which compliance with professional standards by members is monitored. These procedures and rules require us to disclose to the professional body to which we are affiliated, our files and workpapers including client information. By allowing us to undertake this engagement (whether or not you sign this letter), you acknowledge that, if requested, our files relating to this engagement will be made available to the professional body to which we are affiliated.

## Ownership of Workpapers

Material that you provide to us remains yours and will be returned to you when the engagement is completed. Workpapers that we create remain our property.

## Our Fees

Our fees of the engagement are due and payable within 7 days following the date of the invoice unless otherwise noted.

If you are on a monthly fee arrangement, these reflect the on-going nature of accounting and tax service provision, and are not refundable if the engagement is terminated part-way through a financial year.

### **Retention of Records**

We will store accounting records that we hold on your behalf for a period of seven years after the applicable balance date. At the end of that period the records will be destroyed using a secure document destruction service.

### **These Arrangements**

The arrangements outlined in this letter will continue in effect from year to year unless amended or superseded by mutual agreement. We will however have to ask you to accept these arrangements on a year by year basis.

If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign this letter and return it to us.

We appreciate the opportunity of providing these services and we commit to providing you with quality service in an efficient and timely manner.

### **Appendix 1**

#### **Compilation Report Fryer Bay Investments Super Fund For the year ended 30 June 2019**

We have compiled the accompanying special purpose financial statements of Fryer Bay Investments Super Fund, which comprise the balance sheet as at 30 June 2019, the profit and loss for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

#### **1. Director's Responsibility:**

The directors of Fryer Bay Investments Super Fund are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

#### **2. Our Responsibility:**

On the basis of information provided by the directors of Fryer Bay Investments Super Fund, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors of Fryer Bay Investments Super Fund. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

## **Purpose, Scope and Output**

### 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 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.

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 following 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.

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 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 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 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, 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,

Jillian Dwyer  
Director - Visionary Advisors

Accepted by:

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Frederic Ashton for Fryer Bay Investments Super Fund