

Bernard Kasteel CA B.Com

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To our valued client,

General Terms of Engagement

This brochure is to confirm our understanding of the terms of our engagement and the nature and limitations of the services we will provide. The engagement between you and our firm will be governed by the terms outlined herein.

Scope

Unless otherwise agreed in writing, our advice will cover income tax and Goods and Services Tax. It will not cover any other taxes such as stamp duty, land tax or payroll tax.

The scope of our engagement will be limited to performance of the services listed on your engagement letter.

Unless otherwise agreed in writing, the scope of our engagement will exclude the following:

- a) Financial services or financial advice as defined in the Corporations Act 2001;
- b) Estate Planning;
- c) Superannuation legislation;
- d) Payroll tax legislation;
- e) Workers' Compensation legislation;
- f) Social Security legislation;
- g) Any other state or federal tax legislation, including stamp and transfer duties;
- h) Any trading or industry rebates (including diesel rebates);
- i) The lodgement of any documents not noted in this engagement brief; and
- j) A review of the accuracy of any financial documents or records previously prepared by you or on your behalf.

If the scope does not meet your requirements or you would like to discuss the scope with us further, please let us know.

Output of the Engagement

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

Before any documentation is lodged with the relevant authority by us on behalf of the above, we will provide draft documentation for your approval. All information and documentation must be received by us prior to the due date and allowing adequate time for preparation and/or lodgement of the documentation.

Your Disclosure and Record Keeping Obligations

You are required by law to keep full and accurate records relating to your tax affairs.

It is your obligation to provide us with all information that you reasonably expect will be necessary to allow us to perform work contemplated under this engagement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of you by us within a reasonable timeframe. Inaccurate, incomplete or late information could have a material effect on our services and/or our conclusions and may result in additional fees. We will not verify the underlying accuracy or completeness of information you provide to us.

You are also required to advise us on a timely basis if there are any changes to your circumstances that may be relevant to the performance of our services. Specifically, if any subsequent event results in the information you provided to us being inaccurate, incomplete or misleading, then you are obliged to advise us as soon as possible. We take no responsibility to the extent that our advice is inaccurate, incomplete or misleading because it is based on inaccurate, incomplete or misleading information being provided to us.

By accepting the terms of this letter, you will be taken to have agreed that the performance of our services is dependent on the performance of your obligations relating to disclosure and record keeping.

The Taxation Administration Act 1953 contains specific provisions that may provide you with “safe harbours” from administrative penalties for incorrect or late lodgement of returns if, amongst other things, you give us “all relevant taxation information” in a timely manner (the safe harbour provisions apply from 1 March 2010). 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 and will be taken into account in determining the extent to which we have discharged our obligations to you.

You are also required to advise us if you become aware of any conflict of interest or potential conflict of interest.

Your Rights and Obligations under the Taxation Laws

You have certain rights under the taxation laws, including the right to seek a private ruling from the Australian Taxation Office (ATO) or to appeal or object against a decision made by the Commissioner. As relevant, we will provide further information to you concerning your rights under the Australian taxation laws during the conduct of the engagement contemplated by this letter.

You also have certain obligations under the Australian taxation laws, such as the obligation to keep proper records and the obligation to lodge returns by the due date.

Our Obligation to Comply with the Law

We have a duty to act in your best interests. However, the duty to act in your best interests is subject to an overriding obligation to comply with the law even if that may require us to act in a manner that may be contrary to your interests.

We also have an obligation to ensure that we manage conflicts of interest as they arise. In this regard, we have arrangements in place to ensure that we manage potential or actual conflicts of interest. The effective operation of these arrangements depend, in part, on you complying with your obligation to disclose any potential conflicts of interest to us.

Unless otherwise stated, this opinion is based on the Australian tax law in force and the practice of the Australian Taxation Office (the ATO) applicable as at the date of this letter.

Our advice and/or services will be based on Australian taxation law in force at the date of the provision of the advice and/or services. It is your responsibility to seek updated advice if you intend to rely on our advice at a later stage. We note that Australian taxation laws are often subject to frequent change and our advice will not be updated unless specifically requested by you at the time of the change in law or announced change in law.

Confidentiality

We will not disclose any information relating to your affairs to any third party without your consent, unless required by law. You may provide us with permission to disclose your confidential information in certain circumstances, or place conditions on the disclosure of certain confidential information. If you do so, we will have permission to disclose the relevant information accordingly, in the performance of our services, unless you instruct us otherwise in writing.

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 the Institute of Chartered Accountants in Australia which monitors compliance with professional standards by its members. By accepting our engagement you acknowledge that our files relating to this engagement may be requested for review under this program. Our files will only be made available with your express consent.

Professional Fees and Payments

The fee arrangement is based on the expected amount of time and the level of staff required to complete the professional services as agreed, and includes miscellaneous expenses which are incurred to complete the engagement.

This fee arrangement will be subject to change if the following circumstances should occur:

- There is a change to the scope of the engagement; or
- Any matters come to light during the course of the engagement that materially change the amount of time required to complete the engagement.

Where these events do occur, we will notify you prior to completion of the engagement.

Accounts for services provided will be forwarded to you for payment as the engagement progresses, or on a monthly, quarterly or annual basis, as agreed. Our payment terms are within seven (7) days, unless special alternate arrangements are made with us.

Our current charge-out rates per hour, inclusive of GST, are as follows:

- Principal \$220.00
- Accountant \$165.00
- Bookkeeper \$110.00
- Administration \$ 88.00

These rates will be used as a basis for any special or non-compliance work and are subject to change at any time in the future.

Payment options available are Credit / Debit Card, Direct Deposit to our account or Direct Debit from your account.

Direct Debit Request (DDR) Service Agreement

This DDR Service Agreement forms part of the terms of the Direct Debit Request ("DDR") and should be read in conjunction with the DDR application form.

DDR

You can arrange to pay your fee by DDR.

We will process a charge to the account nominated on the DDR for the amount of fees charged to you (plus any applicable Government charges, GST and processing fees) on the date that payment is due in accordance with the terms and conditions of our engagement.

We will notify you of the fees to be charged to your credit card at or before the time of entering into this agreement. We will provide you with 14 days notice if we change any of the terms of the DDR.

Non Business Days

If your DDR is due on a weekend or public holiday we will process it on the next business day.

Changing your DDR Authority

Requests to vary the details of the account to be debited must be on a new Direct Debit Request form.

Deferring, Stopping or Cancelling your DDR & Dispute Resolution

You may defer, alter, stop or cancel your DDR at any time by providing at least 5 business days notification in writing to:

RibaKasteel Chartered Accountants
PO Box 288
Maroochydore QLD 4558

sandy@ribakasteel.com.au or bernardk@ribakasteel.com.au

Or telephone us on (07) 5443 8880.

If you wish to dispute a DDR transaction you can contact the bank or financial institution where your account to be debited is held or contact us and we will arrange for your disputed transaction to be investigated and where appropriate, for a correction to be made.

Returned or Dishonoured DDR's

If your DDR is dishonoured or returned unpaid by your financial institution for any reason we reserve the right to recover the funds from you and charge any additional fee that may apply.

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 Council: <http://www.psc.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 relevant to this engagement including, if applicable, electronic versions of these documents, 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 our property.

We have a policy of exploring a legal right of lien over any of your documents in our possession in the event of a dispute between us. We have also established dispute resolution processes, details of which are available on request.

Privacy Policy

Under the Privacy Act, we are required to advise you that we collect information about you to assist in performing and promoting our financial, taxation and accounting services. We do not disclose information about you to any person except as required in the course of providing these services or for the ordinary administration of our business. If you do not want to receive promotional material from us, you can request to be removed from our distribution list at any time. You can also request access to information we hold about you by making a written request to our Privacy Manager.

Contacting Us

Should you have any questions in relation to the terms of the engagement please do not hesitate to contact us directly by email sandyr@ribakasteel.com.au or bernardk@ribakasteel.com.au or by telephone (07) 5443 8880.