



This document is to confirm our understanding of the terms of our engagement and the nature and limitations of the services we will provide our clients.

Purpose, Scope and Output of the Engagement

AMHR will provide various services including:

- Maintenance of accounting records and preparation of special purpose financial statements
- Business management analysis and advice
- Budgeting and cash analysis
- Preparation and lodgement of tax returns and Business Activity Statements
- Various other accounting and tax agent services

These services will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB), and with Australian income tax law, including the Superannuation Industry (Supervision) Act 1993 where applicable. The extent of our procedures will be limited to using accounting expertise to collect and summarise financial information provided by our client into various special purpose financial statements and tax returns.

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 endeavour to inform you of any such matters that come to our attention.

There will be times where we may seek clarification of some of the information provided by our client and make enquires on specific accounting, tax and superannuation matters encountered during the preparation of financial statements and/or tax returns. Additionally we may determine that further research is required to support a position taken in the tax return. Such additional research services are not included in our "minimum fee" examples and we will notify clients of any such circumstances as soon as they are assessed.

Our professional services are conducted and the special purpose financial statements, budgets, analysis and tax returns will be prepared for distribution to the relevant specific party/ies for the

purpose specified in the report. 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 which will outline this specifically.

In certain circumstances AMHR may decide to issue a separate and case specific engagement letter.

Responsibilities

General

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 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 we may request your permission to have our files relating to this engagement made available under this program. We will send a written request in this circumstance.

Clients are responsible for the reliability, accuracy and completeness of the accounting records, particulars and information provided and disclosure of all material and relevant information. Clients 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 the Client is only an opinion based on our knowledge of the Client's particular circumstances.

Taxation

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 [5] 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.

ASIC

On the engagement or creation of a new company, (unless advised otherwise) AMHR will become the registered office of your company and maintain the company's corporate register, which will be kept on our premises. We will act as your company's Registered Agent with ASIC and will receive your annual statement directly from ASIC which will be sent to you for checking together with minutes prepared by us for you to sign and return to our office.

Self managed superannuation audits

AMHR will not undertake to audit any self managed superannuation fund. If we have been engaged to prepare special purpose financial statements and tax returns, we can refer our clients to a specialist, independent auditor. If the client accepts the engagement of the auditor (in writing to the auditor) the client acknowledges and agrees for AMHR to liaise with and supply information to the Auditor to assist with his engagement.

Period of Engagement

We will not deal with earlier periods unless our client specifically asks us to do so and we agree.

Fees

The fee arrangement is based on the expected amount of time and the level of staff required to complete the professional services as requested by the client. An up to date guide to our minimum fees for the most regular services provided by AMHR can be found on our website www.amhr.com.au/price-guide

Fee arrangements and minimum fee guides may be subject to change if the following circumstances should occur:

- Information provided by client not complete or accurate
- Original receipts presented to AMHR instead of summaries
- Capital gains events
- Work required urgently

This list is indicative, not exhaustive.

If requested by the client a detailed, individual quote can be given.

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 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, from time to time result in the production of Special Purpose Financial Statements, Tax Returns and various other reports requested by our client. Ownership of these documents will vest in you. All other 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

This engagement will start upon acceptance of the terms of engagement by the Client in line with this document. **Acceptance of our services will be taken by AMHR to mean you have read, understood and accepted the terms of engagement in this information sheet.**