

TERMS OF ENGAGEMENT – TAXATION SERVICES PACK

Between Network Strata Services Pty Ltd (**us** or **we** or **our**) and our Clients (**you** or **your**) for the Term specified.

PURPOSE

This Terms of Engagement for Taxation Services (**TE**) confirms our understanding of the engagement and the nature and limitations of services provided.

TERM

This TE will commence at the time you sign your Management Agreement with Network Strata Services Pty Ltd until such time as it is terminated by us or you. This letter will be effective for future years unless we advise you of its amendment or replacement, or the engagement is terminated.

OBJECTIVES AND SCOPE OF WORK

We will provide you with taxation services in compliance with APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code), APES 220 Taxation Services and the Code of Professional Conduct pursuant to *Tax Agent Services Act 2009*, which include:

- Review and assist in preparation of your BAS obligations to the ATO as necessary
- Preparation and lodgement of your company tax return.

Based on the above scope of work, you have given us the authority to use the tax agent portal and other tax portal related activities for the purpose of managing and meeting your taxation lodgement obligations.

We will provide the scope of work output within the specified timeframe or within a reasonable period considering the context of the services.

Audit and assurance or review are not included in this engagement.

OUR PROMISE

We will perform procedures (guided by the APES suite of standards) required that are directly related to the engagement consistent with our Fundamental Principles of integrity, objectivity, professional competence and due care, confidentiality, professional behavior, and identifying, avoiding and dealing with conflicts of interests.

We will document sufficient and appropriate records of the procedures performed for the TE, which may be subject to CPA Australia Best Practice Program assessment under APES 320 *Quality Control for Firms*.

OUR OBLIGATIONS

We are obliged to consider whether our clients create any threats to compliance with our Fundamental Principles and where we cannot reduce the risk to an acceptable level, we are obliged to cease the TE under the Code (section 320) to decline or cease the client engagement.

We have a duty to act in your best interests, unless this duty is inconsistent with our duty to act in the public interest.

We will inform you:

- Of your rights and obligations available under taxation law, including any rights that might be available to seek a private ruling and the lodging of objections and appeals against adverse positions adopted by revenue authorities
- Of any possible penalties and other legal tax consequences to enable you to make an informed decision.

We are responsible for maintaining records for a period of at least 5 years unless otherwise required by legislation.

During the course of our engagement, if we identify or suspect that Non-Compliance with Laws or Regulations (NOCLAR) has occurred or may occur, which may have a direct effect on material amounts or disclosures in the financial statements or compliance and may be fundamental to your ability to continue business or to avoid material penalty, we may:

- Discuss the matter with the appropriate level of management, those charged with governance or the internal auditor, as appropriate
- Communicate the non-compliance or suspected non-compliance with your external auditor, unless prohibited by law or regulation
- Disclose the matter to an appropriate authority even when there is no legal or regulatory requirement to do so; and/or
- Withdraw 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 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. Further information on privacy is included in your Management Agreement.

YOUR OBLIGATIONS

- You are responsible for full disclosure of all relevant information.
- You are responsible for your own record keeping relating to your affairs.
- You are responsible for the reliability, accuracy and completeness of the particulars and information provided to us, and, if the TE includes financial reporting, the accounting records and disclosures of all material and relevant information provided to us. Accordingly, any advice given to you is only an opinion based on our knowledge or your particular circumstances.
- You are responsible for retaining paperwork for as long as legally required.
- You have obligations under self-assessment to keep full and proper records in order to facilitate the preparation of accurate returns.
- You must retain paperwork for a period of five years after the assessment as you may be subject to an Australian Taxation Office review.
- You are responsible for checking the assessment before submission to ensure accuracy.

THIRD PARTY INVOLVEMENT

We may from time to time engage third party specialist professionals and other public practitioners, where warranted to obtain the advice you need or to assist us to provide our service to you. These may include cloud service providers and outsourced service providers.

We will seek your consent if third party involvement is likely to exceed the fixed price (if applicable).

We have outsourcing arrangements with Prime Strata in the Philippines whom we engage from time to time to assist us. Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of outsourced services as described above.

FEES, BILLING & TRUST MONIES

Our professional fees are detailed in your Management Agreement.

OWNERSHIP OF MATERIALS

- You own all original materials given to us.
- We own all materials produced by us that resulted from our skill and attention to the extent that the materials produced by us incorporate any original materials you give to us.
- We may exercise a lien of your documents in our possession in the event of a dispute, which will be handled in accordance with our firm's dispute resolution process.
- Subject to the payment of all outstanding professional fees and disbursements owing to us, we will provide you with materials produced by us for you in the event you engage the services of another practitioner and the materials are required by your new practitioner.

CONFIDENTIALITY

We have an ethical duty of confidentiality, which means we must not share or disclose your details of this TE to anyone, except as otherwise specified in this clause, without your consent unless required to by law.

We may disclose your personal and confidential information details, as part of our working papers of the services provided to you to CPA Australia Ltd, (if requested) for the purposes of conducting a CPA Australia Best Practice Program assessment aimed at maintaining high industry professional standards. Any such disclosure of confidential information does not change any of our commitments to safeguard your information, and the information remains subject to any existing confidentiality obligations. We advise you by signing this letter you acknowledge, our engagement files relating to this assessment will be made available under this program.

PROFESSIONAL INDEMNITY INSURANCE (PII)

We hold professional indemnity insurance of at least the minimum amount prescribed in the CPA Australia Ltd By-Laws or as required by law. Our PII cover at the time of this TE is \$2 million.

PROFESSIONAL STANDARDS SCHEME & LIMITATION OF LIABILITY

We participate in the CPA Australia Ltd Professional Standards Scheme (Scheme), which facilitates the improvement of professional standards to protect consumers and may limit our liability to you in a cause of action.

The Scheme applies to professional accounting services including accounting, bookkeeping, taxation, auditing and assurance, insolvency and corporate reconstruction, management accounting, management consulting, forensic accounting, valuation services.

OTHER

We will document sufficient and appropriate records of the procedures performed for the TE, which may be subject to CPA Australia Best Practice Program assessment under APES 320 *Quality Control for Firms*.

YOUR UNDERSTANDING

We are available to explain all the terms of this engagement if you require it. Execution of our Management Agreement indicates both your understanding and acceptance of these terms.



Tax Agent
26193908