



Anthony Gigacz & Associates Pty Ltd

Registered Tax Agent Public Accountant ABN 92 007 175 126

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Dear Client,

Thank you for your instructions to attend to your tax compliance requirements. This letter sets out our terms of engagement and the scope of the work to be performed by us within that engagement and supersedes any previous engagement letter provided by us.

The provision of tax agent services is governed by the *Tax Agent Services Act 2009* (TASA) and the accompanying regulations. Registered tax practitioners must comply with the requirements of the TASA, which includes a set of ethical and professional standards known as the 'Code of Professional Conduct'. General information about the obligations and responsibilities of tax practitioners to their clients is set out in the attached document, ***Rights and Obligations of the Parties under the Taxation Laws***.

The Tax Practitioners Board (TPB) is responsible for the registration and regulation of tax practitioners and for ensuring their compliance with the TASA. As part of this role, the TPB maintains a register that enables the public to ensure they are engaging the services of a registered tax practitioner. The register also provides details of suspended and deregistered tax practitioners.

To check the details of the tax practitioner responsible for your tax affairs, search the **TPB Register** at www.tpb.gov.au/public-register using either of the following details:

Practitioner name – **Anthony Gigacz & Associates Pty Ltd**

Registration number – **59156007**



Tax agent
59156007

Taxpayers who engage registered tax agents also have rights and obligations under the taxation laws, including a safe harbour from certain penalties imposed by the Australian Taxation Office (ATO). To qualify for safe harbour protection, taxpayers must provide their registered tax agent with "*all relevant taxation information*" to enable accurate statements to be provided to the ATO. This requirement may be important to both parties in identifying and understanding the purpose and scope of the engagement and may also affect other matters discussed below. You will find a further discussion on the safe harbour protections in the attached document, ***Rights and Obligations of the Parties under the Taxation Laws***.

We recommend that you read this letter carefully and contact our office if you have any queries or wish to discuss it. If the terms of our engagement are acceptable, we ask that **all** persons sign the enclosed copy of this engagement letter in the places indicated and return it to our office.

Please note that we are unable to Lodge any Tax Returns or BAS's for you until we receive the signed copy.

1. Purpose and scope of the engagement

Our engagement is to attend to the following tax compliance matters for you, *as applicable*:

- Prepare and lodge annual income tax returns.
- Prepare and lodge Business Activity Statements (BAS's).
- Prepare and lodge annual FBT returns.
- Prepare and lodge annual returns for your self-managed superannuation fund.

Unless otherwise agreed, we will prepare the above returns and statements on an ongoing basis, in relation to the period following that for which the returns and statements have most recently been finalised, and for each subsequent period.

Our services will be provided to you on a fee for service basis.

This letter relates only to the abovementioned services and details the basis and terms of this engagement. Unless otherwise agreed, our engagement will be limited to the matters described in this letter. Work that is performed or disbursements that are incurred outside the scope of this letter (for example, tax planning services) will be the subject of additional charge.

Our engagement commences as soon as you return this letter, and it has been signed as instructed further below.

In addition to any other rights you might have, you can terminate this engagement at any time by telling us in writing. We also reserve the right to do so by providing you with 14 days' written notice. If either party terminates this engagement, the provisions of clause 2.5 (in relation to ownership of documents) of this letter will apply.

2. Basis and terms of engagement

Our engagement is to assist with the preparation of the financial accounts and the preparation and lodgement of the taxation returns for you, as well as your trading entities (including individuals, corporate entities, partnerships, trustees and self-managed superannuation entities) (**Entities**).

2.1 Accounting and record-keeping

In undertaking this engagement, you must generally ensure the following (where applicable):

- The bookkeeping and record-keeping tasks for all Entities is maintained on a regular basis. We recommend these tasks be attended to each week.
- Reconciliations for the bank accounts, debtors and creditors are performed at the end of each month for each of the Entities.
- A stocktake is performed during the last weekend in June for each entity that deals in trading stock.
- The trial balance of each of the Entities will be completed no later than 30th June each year.

In respect of the personal tax returns for Individuals, we require that all relevant information be collated and forwarded to our office. We shall detail more specific requirements in respect of the Individual tax returns later in this letter.

2.2 Taxation services

In engaging us to provide taxation services, it is important for you to understand the following:

- You are responsible for the accuracy and completeness of the particulars and information provided to us by you.
- Any advice we provide is only an opinion based on our knowledge of your particular circumstances.
- You have obligations under the self-assessment regime to keep full and proper records to facilitate the preparation of accurate returns.

- We cannot provide taxation services if we find that information on which those services are to be based includes false or misleading information, or material information is omitted, and you are not prepared to appropriately amend it to provide us with correct and complete information.

Before we lodge any returns, statements or other documents on your behalf, we will forward them to you. We will endeavour to ensure that the returns are lodged by the due dates. If you are late in providing information, we will do our best to meet the time limits, but we will not be responsible for any late lodgement penalties or interest charges you may incur.

2.3 Compilation of financial statements

By engaging, you acknowledge that:

You and your employees are responsible for the maintenance of the accounting systems and internal controls for all the Entities. That includes the keeping and maintenance of all required books of account. Our firm cannot be relied upon to disclose irregularities, such as fraud, and other illegal acts and errors that may occur with regard to such matters.

Our firm is not being engaged to conduct a statutory audit of the financial records of any of your Entities and we will not express an auditor's opinion as to the truth and fairness of the financial statements.

2.4 Obligation to correct false or misleading statements

By law, registered tax practitioners must **not** (in any capacity) make a statement to (or prepare a statement that they know or ought reasonably to know is likely to be made to) the ATO, the TPB or another Australian government agency, or permit or direct someone else to make or prepare such a statement, that they know or ought reasonably to know is false, incorrect, or misleading in a material particular, or omits any matter or thing without which the statement is misleading in a material respect.

If we become aware that a statement we made or prepared (or permitted or directed another to do so) to the ATO, the TPB or another Australian government agency on your behalf or on behalf of a client in your Group was false, incorrect or misleading in a material particular (including by omission) at the time it was made, we may advise you to take action to correct the false or misleading statement.

If after a reasonable period of time after providing this advice, we are not reasonably satisfied that you or the relevant Group client has corrected the statement (or provided consent for us to correct the statement) or adequately explained the basis for the statement, we may take further action. In some cases, this may include withdrawing from the engagement and notifying the ATO or the TPB about the matter.

2.5 Ownership of documents

The financial statements, tax returns and any other documents which we are specifically engaged to prepare, together with any original documents given to us by you, shall be your property.

Any other documents brought into existence by us, including general working papers, the general ledger and draft documents will remain our property at all times.

In accordance with our statutory obligations under the TASA, we will also retain all records of the tax agent services provided to each client in the Group. We will retain these records for at least five years after the relevant services have been provided, even if our engagement is terminated.

Furthermore, if our services are terminated (by either party), each client separately agrees that we shall be entitled to retain all documents owned by that client (including all tax refunds of the client that come into our possession) until payment in full of all outstanding fees from all clients in the

Group on any account. Where copies of any documents released to you are required for our records, you will be charged for the cost of photocopying at our normal rates.

2.6 Additional services

The scope of our engagement is the **preparation and lodgement of the taxation matters** detailed above. Any agreed fee applies only to services and advice provided within the scope of our engagement. This fee includes checking and forwarding original assessments and payment notices that are received from the ATO and the Australian Securities & Investments Commission (ASIC).

Any additional services or advice that you request are outside the scope of this letter (for example, tax planning services) and are not included in this agreed fee. We will separately advise you of the scope and fee for those services, including any direct out of pocket expenses.

Please note in particular that any correspondence from the ATO or ASIC that does not relate to initial assessments or original payment notices, will be charged as additional services.

2.7 Fees and charges

Our services will be provided to you on a fee for service basis.

Unless otherwise stated in writing, any estimates which we provide to you of our anticipated fees, disbursements and charges for any work are only indicative of the amounts you can expect to be charged. Estimates are not quotes or caps and are not binding on us.

Where an estimate is given and the scope of the work changes, or if it becomes apparent that the work involves matters which were not taken into account in the estimate, we will endeavour to advise you and provide an amended estimate as soon as it is practicable to do so.

We may require you to deposit money into our trust account in anticipation of our fees and charges. If you fail to make a required trust deposit, we may suspend work or terminate this engagement. Each client in the Group authorises us to apply trust moneys held on their behalf towards payment of fees and disbursements, and to meet our bill of costs which have been rendered and which have not been paid or disputed within 14 days after issue of the bill of costs.

Each client in the Group is jointly and severally liable to pay our fees in respect of all work performed for all clients in the Group. We may require that payment of our fees be guaranteed by one or more persons who are associated with the Group but are not themselves our clients (for example, company directors). If you fail to provide a required guarantee, we may suspend work or terminate this engagement.

If we suspend work or terminate this engagement by reason of your failure to make a trust deposit or provide a guarantee as required, we will not be liable for any loss or damage suffered by any client in the Group as a result of the suspension or termination.

2.8 Goods and Services Tax (GST) – Professional fees and disbursements

Our professional fees are inclusive of GST. If our services are provided to Individuals or Entities that are registered for GST, then those Individuals or Entities may be able to claim a GST input tax credit for the GST they pay on our services. However, this will not be the case if the services we provide are used by the recipient in making an input taxed supply or otherwise for a non-creditable purpose. In this situation, the GST associated with our professional fees cannot be claimed as an input tax credit.

If your matter involves a mixture of taxable, GST-free and input taxed supplies, we will not apportion our professional fees between these categories of supply unless you have expressly requested us to do so.

Please note that if you make such a request after the commencement of any particular matter, it may not be possible for us to subsequently apportion professional fees that were incurred prior to receiving your request. If you need separate advice on whether you will receive the benefit of a GST input tax credit for the GST paid to us, then please contact us.

2.8.1 Disbursements

In addition to our professional fees, you will be responsible for payment of expenses which we incur on your behalf (together with the GST that we pay in relation to such expenses), as set out below.

Certain government charges and fees included in some matters undertaken in the scope of our engagement are effectively GST-free to the applicant but will attract the 10% GST if paid by this firm and then passed on to you as part of our services.

Accordingly, for certain disbursements in this category (e.g., ASIC fees, new company and trust deed orders and other specific disbursements notified from time to time), we will act as your agents in incurring those disbursements. You will therefore technically be primarily liable to pay the account to the supplier. Under this agency relationship, you will receive the benefit of any concessional GST treatment of any part of the disbursement.

Where GST is payable on some or all of a supply acquired by us as your agent, we will forward you the tax invoice and you will be able to claim the input tax credits directly if you are GST-registered (or are required to be GST-registered) and are entitled to claim the input tax credits.

For disbursements incurred in this manner, we may in some cases require that you provide us with separate cheques for the relevant amounts to be paid directly to the relevant government body or supplier.

For all other disbursements (e.g., couriers, searches, photocopying, etc.), the treatment will be the same as for professional fees – i.e., we will incur the costs at first instance and invoice them to you after making allowance for any GST input tax credits received by us on the acquisition. These invoices will include GST for which you may be entitled to claim an input tax credit.

2.9 Confidentiality

We will take all reasonable steps to keep information acquired as a result of this engagement confidential and will not disclose confidential information relating to clients in the Group without their permission, unless there is a legal duty for us to do so. We will also not use any information acquired as a result of this engagement for our own personal advantage or for the advantage of a third party.

We may also need to disclose information relating to a client's affairs to:

- other clients in the Group to assist in performing our work;
- persons responsible for the governance of an entity to comply with professional standards;
- the relevant parties in order to protect our professional interests in legal proceedings;
- a professional or regulatory body in response to an inquiry or investigation;
- the relevant parties (e.g., the TPB) to comply with technical and professional standards (including ethical requirements); or
- a professional body of which we are a member, in relation to a quality review program undertaken by that body.

Each client in the Group hereby authorises us to do so when we consider it appropriate to further our performance of work for the Group, or when requested by the relevant party.

2.10 Utilising outsourced services

From time to time, our firm may use outsourced services (which may include Cloud Computing) to perform some of the services we are engaged to perform for you.

The list of third-party service providers currently used by our firm, to whom client information will or may be disclosed, are as follows:

- Serenity Bookkeeping Solutions
Local Melbourne Western Suburbs
<https://www.serenitybookkeeping.com.au/>
ABN: 51 990 967 290

Each client hereby authorises us to disclose information relating to that client's affairs to such third-party service providers as we may choose to engage to perform such work.

Where we outsource services to third party providers, we are nevertheless responsible for the conduct and activities of those providers and for the delivery of the services we are engaged to perform for you.

2.11 Use of Cloud Computing (that is *not* an outsourced service)

From time to time, our firm may utilise Cloud Computing in the performance of services under this engagement which is **not** an outsourced service.

The list of cloud computing service provider(s) currently used by our firm in the provision of services which is not an outsourced service, to whom client information will or may be disclosed, is as follows:

- Habitat3
Cloud computing/storage based in Sydney
<https://www.habitat3.com.au/>
ABN: 17 102 628 893
- Microsoft Azure
Server infrastructure for Habitat3
<https://azure.microsoft.com/en-au/>

Each client hereby authorises us to disclose information relating to those clients' affairs to such Cloud Computing service providers as we may choose to engage.

2.12 Non-compliance with Laws and Regulations (NOCLAR)

During the performance of our work under this engagement, we may detect conduct or a transaction that is considered to constitute NOCLAR, which has a material effect on any documents or information that might be required to be provided to a regulatory authority (RA), such as the ATO.

If we detect any NOCLAR, we may have a professional requirement to make a disclosure to a RA. We will follow a formal process which will include advising you of our concerns and, if necessary, seeking legal advice. If we do seek legal advice, we reserve the right to ask you to pay or reimburse us for our reasonable costs.

If we are required to make a disclosure to a RA, you agree to forever release us from any claim for costs or losses you incur in responding to or dealing with anything that arises from our disclosure.

2.13 Losses from unauthorised cyber-activity

We will take all reasonable precautions to ensure that any electronic data that contains your private information is securely stored and that any email transmissions are protected and are not able to be intercepted by third parties. However, we cannot be held liable for any loss that you might incur as a consequence of any third-party intervention that accesses, procures or copies any data that

contains your private information from any medium or device we use to store or transmit such information.

In the event that, despite our firm having taken reasonable precautions to securely store your private information, you suffer any losses arising from unauthorised cyber-activity, you agree to forever release us from any claim for your losses.

2.14 Conflicts of interest

We will inform you if we become aware of any conflict of interest in our relationship with you or in our relationship with you and another client of this firm.

Where conflicts are identified which cannot be managed in a way that protects your interests, then we may be unable to provide further services to you. If this arises, we will inform you promptly.

2.15 Complaints

If you have a complaint about our services, we ask that you contact Anthony Gigacz (info@agatax.com.au) of our office. We will work with you to help resolve your complaint as quickly as possible.

If we cannot resolve the issue or you are not satisfied with how we have handled your complaint or with the outcome, you may be able to escalate the matter to the TPB. Complaints to the TPB must be made in writing using its online form, which is available at myprofile.tpb.gov.au/complaints/

Note, not all complaints can be acted on by the TPB. For example, if your complaint is about fees, you will be asked to contact Consumer Affairs or the Office of Fair Trading in your State or Territory. However, the TPB may be able to assist if the fee complaint is associated with inappropriate conduct by our firm. Details about making complaints to the TPB are available at www.tpb.gov.au/complaints

2.16 Professional indemnity insurance

Our firm maintains adequate professional indemnity insurance cover and that our policy complies with the minimum requirements of the Tax Practitioners Board (TPB). Details of our professional indemnity insurance arrangements are as follows:

Anthony Gigacz

- *holds a professional indemnity insurance policy that meets the minimum requirements set out in the TPB's explanatory paper TPB(EP) 03/2010; and*
- *is covered by a professional indemnity insurance policy that meets the minimum requirements set out in TPB(EP) 03/2010, that is held by another registered tax practitioner of the firm*

2.17 Limitation of liability

Our firm's liability may be limited by a scheme approved under Professional Standards legislation and applicable regulations of the Professional Body.