

GENERAL TERMS & CONDITIONS

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1. DEFINITIONS

- a) **"Accountancy Services"** means all of the specific services to be performed by the Firm as set out in the attached 'New Client Checklist'. These may include but are not limited to bookkeeping, accounting & tax services.
- b) **"Client"** means an individual, Firm, entity or organisation to whom or to which Accountancy Services are provided by a Member in Public Practice in respect of Engagements of either a recurring or demand nature.
- c) **"Commencement Date"** means the date of the engagement letter.
- d) **"Consultant(s)"** means any employee, adviser or external contractor employed or engaged by the Firm.
- e) **"Contract Fee"** means the consideration the Client has agreed to pay the Firm to carry out the Accountancy Services subject to any variation thereof by the Client in accordance with this agreement.
- f) **"Costs and Disbursements"** means the costs and disbursements that may be incurred by the Firm from time to time during the term when providing the Accountancy Services.
- g) **"Engagement" or "Engagement Letter"** means an agreement, whether written or otherwise, between the Firm and a Client relating to the provision of Professional Services by the Firm. Consultations with a prospective Client prior to such agreement are not part of an Engagement.
- h) **"Firm"** means Hemisphere Accounting Pty Ltd.
- i) **"GST"** means goods and services tax as defined in the A New Tax System (Goods and Services Tax) Act 1999 (Cth) as amended.
- j) **"Intellectual Property"** means any Intellectual Property Rights arising from this agreement.
- k) **"Intellectual Property Rights"** means statutory and other rights in respect of property rights, copyrights, Confidential Information and all other Intellectual Property Rights as defined in article 2 of the Convention Establishing the World Intellectual Property Organisation of July 1967.
- l) **"Material"** includes books, papers, documents, information, graphs, tables, reports, computer and other data, computer programs, systems and all models necessary to perform the Accountancy Services.
- m) **"Hemisphere"** means the Firm, its employees, directors, advisors and contractors.
- n) **"Professional Services"** means services requiring bookkeeping, accountancy, taxation or related skills performed by a professional bookkeeper or accountant including bookkeeping, accounting, taxation, management consulting and financial management services.
- o) **"Revenue Authorities"** include various levels of government authorities or similar institutions which have legislative powers to impose and/or collect taxes, including the Australian Taxation Office (ATO).
- p) **"Reports"** means the reports to be provided by the Firm to the Client at specified times.
- q) **"TPB"** means the Tax Practitioners Board.
- r) **"Taxation Law"** means a law and/or regulation of any level of government imposing a tax or otherwise dealing with tax, and includes any such laws and regulations that describe direct and indirect taxes, levies, surcharges, penalties or similar charges imposed by various levels of governments or similar institutions on economic transactions.
- s) **"Taxation Services"** mean any services relating to ascertaining a Client's or Employer's tax liabilities or entitlements or satisfying their obligations under a Taxation Law, provided under circumstances where they can reasonably expect to rely on the services. This includes:
- preparation of a return, notice, statement, application or other document for lodgement with a Revenue Authority, and responding on behalf of a Client or Employer to requests for further information from a Revenue Authority;
 - preparation of tax calculations to be used as the basis for the accounting entries in the financial statements;
 - provision of tax planning and other tax advisory services; and
 - assisting a Client or Employer in the resolution of tax disputes.
- t) **"Term"** means, subject to the provisions of this agreement, a period commencing on the Commencement Date and continuing until terminated pursuant to the terms of this agreement.

u) *"Writing"* includes typewriting, printing, photography, lithography and other means of representing or reproducing words in a visible form and "Written" has a corresponding meaning.

v) *"You"* means the Client.

2. INTERPRETATION

Unless the context otherwise indicates:

- a) all references to statutory provisions are to be construed so as to include all regulations under and any statutory modification or re-enactment of such statutory provisions (whether before or on or after the date of this agreement) for the time being in force;
- b) the schedules and annexures to this agreement have the same force and effect in all respects as if they were set out in the body of this agreement;
- c) words importing the singular include the plural and vice versa;
- d) words importing any gender include every gender;
- e) all dollar (\$) amounts are in Australian currency, unless expressly stated otherwise;
- f) words denoting individuals include corporations and vice versa;
- g) a reference to a party includes that party's executors, administrators and permitted assigns, or being a Client, its successors and permitted assigns;
- h) clause and subclause headings are for convenience only and do not affect the interpretation of this agreement;
- i) where any word or phrase is given a defined meaning in this agreement, any other part of speech or grammatical form in respect of such word or phrase has a corresponding meaning;
- j) a reference to a clause, schedule or annexure is a reference to a clause, schedule or annexure to this agreement; and
- k) every agreement or undertaking expressed or implied by which more than one person covenants, agrees, undertakes or appoints or are taken to do so binds and extends to such persons and to any two or greater number of them jointly and to each of them severally.

3. DUTIES OF THE FIRM

3.1 Firm to perform services as per agreement

The Client, by this agreement, engages the Firm to perform (in return for and subject to payment of the Contract Fee) the Accountancy Services in the manner and to the standard hereinafter required, which Accountancy Services may not be varied otherwise than with the prior Written approval of the Client.

3.2 Specific duties of Firm

Without in any way limiting or affecting the generality of subclause 3.1, the Firm in performing the Accountancy Services must:

- a) perform the Accountancy Services (as listed in the completed New Client Checklist) at all times exercising due care, skill and judgment;
- b) commence the Accountancy Services on the Commencement Date and continue to provide the Accountancy Services in accordance with the terms of this agreement;
- c) ensure that all methods and procedures employed in performing the Accountancy Services are ethical and are, where possible, standard methods and procedures currently employed in the accounting industry;
- d) comply with the Client's representative's reasonable requirements conveyed orally or in Writing to the Firm in accordance with and subject to the provisions of this agreement;
- e) prepare and submit to the Client's representative such Reports as are required as to the Firm's performance of the Accountancy Services on a regular basis and, in any event, at least quarterly.

3.3 Scope of Engagement

The extent of the Firm's procedures and services will be limited exclusively to the services as set out in the completed New Client Checklist, or as agreed with the Client from time to time.

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.

We will not be responsible for the accuracy of information entered prior to the commencement of our engagement. If we identify any such issues we will bring these to your attention and discuss the options available to you.

4. DUTIES OF THE CLIENT

4.1 Client's representative to be available

The Client's representative is to be available at all reasonable times during business hours on behalf of the Client for consultations with the Firm.

Relevant information, and explanations to questions raised during the course of the engagement, is to be provided in a timely manner.

4.2 Client's Representative is agent of Client

The Client's Representative is the agent of the Client in respect of any decision made or information given to or received by them concerning any matter arising under this agreement.

4.3 Directions by Client's Representative

The Firm must be guided and directed as to the manner in which the Accountancy Services are to be provided by the Client's Representative.

Client acknowledges that where there is more than one Client the Firm may treat any one of them as Client Representative and any instruction so issued by a Client Representative will bind any other Client.

Where the Client is a company or corporate trustee, each director is individually appointed a Client Representative separately.

4.4 Client Information

- (a) the responsibility for the accuracy and completeness of the particulars and information provided by the Client rests with the Client;
- (b) any advice given to the Client is only an opinion based on the Firm's knowledge of the Client's particular circumstances;
- (c) unless advice is given in writing and on letterhead, it will only constitute general advice and should not be relied upon for any specific circumstance or acted upon.
- (d) the Client, as a taxpayer, has obligations under self-assessment to keep full and proper records in order to facilitate the preparation of accurate returns.

- (e) the Firm has the ability to share the Client's information with partners and professionals so engaged under clause 15, and the Client authorises the release of any information relating to the Client for this purpose.

5. OWNERSHIP OF MATERIALS

5.1 All Copyright and Intellectual Property Rights

All copyright and Intellectual Property Rights in all Reports and Materials prepared by the Firm and their employees, servants or agents in regard to the provision of the Accountancy Services belong to the Firm.

5.2 Reports and Materials to be furnished to Client

At the termination of this agreement, the Firm may at its absolute discretion provide or return to the Client some or all of the Reports and Materials referred to in subclause 6.1 at the written request of the Client. The Client accepts the Firm will charge a fee for this and the Firm will withhold information and reports until receipt of payment.

5.3 No publication without leave

The Firm, their servants, employees and agents may not without the prior written approval of the Client publish any papers, documents or articles relating to the Accountancy Services. This clause will survive this agreement.

5.4 Firm to retain own Intellectual Property Rights

All Intellectual Property Rights in regard to the Accountancy Services or arising from the provision of the Accountancy Services which are developed by the Firm are the property of the Firm.

6. COMPLIANCE WITH APPLICABLE LAWS

6.1 Firm to comply with statutes

The Firm must observe and comply with the provisions of any statute, regulation or by-law which is required to be observed or performed in the performance of the Accountancy Services.

6.2 Firm to comply with relevant law

Without limiting the generality of the foregoing, the Firm must comply with all legislated policy and other applicable law which are relevant to the Firm in relation to the Accountancy Services.

6.3 Firm independent of Client

The Firm is an independent contractor, and nothing in this agreement or elsewhere constitutes the Firm as the agent or employee of the Client or the parties as partners or joint venturers, nor is the Firm authorised to incur, nor may the Firm incur, any debt or obligation on behalf of the Client, without the prior Written consent of the Client being first obtained.

7. PRIVACY

The Firm may use the Client's personal information to provide the Client with the Accountancy Services and to improve that service. At times the Firm may make personal information relevant to a Client available to strategic partners that work with the Firm to provide services to you. In such cases your relationship with that third party will be subject to that third party's privacy policy and will be governed by it. The Firm may also disclose information about you if we determine that disclosure is reasonably necessary to enforce any term of the agreement or if we are required to disclose the information by law or through a court process such as a subpoena.

8. AUTHORISED APPOINTMENTS

8.1 Appointment as Tax Agent

The Client authorises the Firm to act on their behalf in respect to the taxpayer's dealings with the ATO.

This authority extends to all areas which the Firm is permitted to undertake by law, including but not limited to;

- Adding the Taxpayer to the Client List on the Agent's ATO Tax Portal
- Representing the Taxpayer in their dealings with the ATO in relation to Tax Services
- Preparing and lodging Activity Statements and Income Tax Returns
- Having access to activity statement and related information that may be provided via access to the Portal.

8.2 Appointment as ASIC Agent

Unless specifically advised otherwise, the Firm will be appointed as the registered ASIC agent of all Australian registered companies covered by this engagement.

9. TERMINATION OF SERVICES

9.1 Termination by Client

The Client may by notice in Writing served on the Firm, terminate this agreement at any time and irrespective of whether there is any breach of the terms of this agreement within 30 days of the service by the Client on the Firm of a notice of termination.

9.2 Termination by Firm for cause

If the Client is in breach of the conditions of this agreement, the Firm may by notice in Writing require the Client to remedy such breach within 14 days of the service by the Firm on the Client of a notice of default.

9.3 Failure by Client to comply with notice of breach

Should the Client fail to remedy any breach of the conditions of this agreement in respect of which it has received a notice within the period specified, the Firm may thereafter serve a notice of termination upon the Client in respect of such breach, and if the Client does not within 30 days of the date of service of such notice of termination remedy the said breach then and upon the expiration of such 30 day period, this agreement will terminate.

9.4 Termination without prejudice to outstanding claims

Termination will be without prejudice to any claim which either party may have against the other in respect of any breach of the terms of this agreement which occurred prior to the date of termination.

9.5 Contract Fee to be paid pro-rata on termination

If this agreement is terminated by either party for any reason, the Client's liability to pay the Firm the then balance of the Contract Fee is limited to payment of that part of the Contract Fee which is payable for those Accountancy Services provided by the Firm to the Client under this agreement to the date of that termination which have not previously been paid.

10. LIEN

The TPB has provided practical assistance and explanation on the subject of Agents claiming a lien over Client property in instances where there may be outstanding fees owing by the Client to the Agent. The Firm has adopted their recommendations.

The following items belong to yourself, irrespective of whether there are outstanding fees owing to the Firm:

- source documents e.g. ledgers, receipts, invoices, journals;
- correspondence between the ATO and the Client;
- software licensed in the Client's name.

The following items belong to yourself only where there are no outstanding fees owing to the Firm:

- letters of advice, books of accounts, returns and financial statements;
- the accounting software file containing the Client's data

The lien will continue notwithstanding the termination of this agreement.

11. FEES

Unless a fixed fee has been agreed, the Firm will charge you professional fees for work undertaken by the Firm at the Firm's standard hourly rate (see table below).

These rates are subject to change by the Firm and are available on request. The Firm may change these rates with or without consultation or approval by you.

Hourly rates and fixed fees are reviewed annually, with increases generally effective 1 July each year.

12. COSTS AND DISBURSEMENTS

12.1 Costs and Disbursements incurred by the Firm

The Firm may incur Costs and Disbursements on behalf of the Client during the provision of the Accountancy Services. The Client must reimburse the Firm for the Costs and Disbursements during the Term, but the timing method and manner of payment of the Costs and Disbursements will be upon periodic invoices presented by the Firm to the Client for the Costs and Disbursements actually incurred prior to the issue of each invoice.

The Firm and Client may agree in Writing to an alternate method of payment for Costs and Disbursements at any time during the Term.

12.2 Fees for Costs and Disbursements

The Firm may charge a reasonable fee for incurring the Costs and Disbursements.

12.3 Subscriptions

Where the Firm is charged directly for subscription expenses, these will be recoverable from you upon rendering of an invoice.

12.3 Travel time & costs

If the services are required to be performed on-site, one way travel time will be charged at standard hourly rates.

Any parking and tolls expenses will also be recovered at cost.

13. SETTLEMENT OF INVOICES

The Client agrees to pay the Firm the Contract Fee during the Term, but the timing, method and manner of payment of the Contract Fee will be upon periodic invoices presented by the Firm to the Client. The Client agrees to accept Invoices by email.

Fixed retainer invoices are rendered on a monthly basis, in advance. Time-basis, invoices will be raised at month-end, in arrears.

The Client agrees to settle rendered invoices within the Firm's standard 14 day terms. The actual due date for payment will be clearly stated on the invoice.

For new Individual Tax Return clients it will be a requirement to either provide credit card details or sign up to a direct debit mandate prior to commencement of work.

Failure to comply with these payment terms may result in interest charges being applied, calculated at 8% per annum (pro rata'd).

14. DIRECT DEBIT

The Client agrees that the Firm is authorised to deduct and pay from the Client's bank account its fees and disbursements as agreed under this agreement.

15. ENGAGEMENT OF OTHER EXPERTS OR STRATEGIC PARTNERS

The Firm may engage other experts or strategic partners to assist the Client as an agent for the Client. The use of other professionals does not constitute the giving of advice by the Firm and the Firm has no responsibility for any act or omission committed by any other professional so engaged and to the fullest extent authorised by the law the Client agrees to releases and indemnify Hemisphere Accounting from any suits, claims, actions or demands it may have arising from any act or omission caused by an expert so engaged.

16. ASSIGNMENT

The Firm may assign the Agreement without prior written consent of the Client. The parties to this Agreement hereby expressly declare that the Client will not assign to any third party any of its duties or responsibilities under this Agreement without written consent of the Firm.

17. STAFF & CONTRACTORS

The Firm may utilise the services of different employees and/or contractors. Our Consultants have signed agreements in place with us which preclude them from accepting employment or contracting directly with a Client.

Should an employee or contractor accept a position to work with the Client, within twelve months of being employed or contracted by the Firm, a 'recruitment fee' will be immediately payable by the Client to the Firm. This fee is calculated as follows:

- Annual billings less than \$5,000 - 50% of annual billings
- Annual billings greater than \$5,000, less than \$10,000 - \$2,500 + 25% of annual billings in excess of first \$5,000
- Annual billings greater than \$10,000 - \$3,750 + 15% of annual billings in excess of first \$10,000

Annual billings are calculated based on the previous 12 months fees, related to the applicable role, pro rata'd as required.

18. OTHER SERVICES

For any other services the Client retains or requests the Firm to perform these Terms and Conditions will apply.

19. EMAIL OR OTHER ELECTRONIC COMMUNICATION

- 19.1 The Client requests the Firm to accept from You, instructions or communications by means of e-mail or other electronic transmissions ("electronic communications").
- 19.2 The Client agrees to accept e-mail advices and other communications transmitted by the Firm, in relation to any accounts, facilities or other arrangements which I/we may now or in the future have with the Firm.
- 19.3 In consideration of the Firm agreeing to accept electronic communications from You, You agree as follows:
- 19.4 The Client authorises the Firm to accept and act upon any electronic communications it receives which purport to have been sent from You or any authorised signatory or representative on my/our account(s).
- 19.5 Provided that the electronic communication appears on its face to be genuine, the Firm will have no obligation to verify the authenticity or accuracy of any electronic communications received from You or purporting to be sent by You.
- 19.6 The Firm may act on any directions contained in an electronic communication regardless of by whom the actual or purported instructions were transmitted (or in the case of a facsimile, by what means any signature may have been affixed) and notwithstanding that such electronic communications may have been initiated or transmitted in error or fraudulently or may otherwise have been altered or distorted prior to, in the course of or upon receipt of the transmission.
- 19.7 The Firm may (but is not obliged to) in its absolute discretion, defer acting in accordance with the whole or any part of an electronic communication pending further enquiry to or confirmation by You.
- 19.8 The Client agrees to accept electronic communications transmitted by the Firm to You.
- 19.9 The Client agrees to release and indemnify Hemisphere Accounting against all claims, losses, damages, costs and expenses howsoever arising in consequence of any delays in or non-receipt of a transmission, or in any way related to the Firm having acted in accordance with the whole or any part of any email instruction or in the exercise of the discretion conferred upon it by Clause 19.6, except to the extent that the Firm has acted negligently in any circumstances in relation to that electronic communication.

20. GOVERNING LAW

This agreement will be governed and construed in accordance with the laws of the state of New South Wales and the parties submit to the non-exclusive jurisdiction of

the courts of that state for any dispute arising under this agreement or its implementation or enforcement.

21. SUCCESSORS AND PERMITTED ASSIGNS

This agreement is binding upon and inures to the benefit of the parties, their respective permitted successors and permitted assigns, and to each of their respective executors, administrators, legal representatives, heirs and permitted assigns.

22. VARIATION

The Firm may vary the terms and/or conditions of this agreement at any time with or without your consent or notification. This Agreement replaces any previous agreement.

23. COUNTERPARTS

This agreement may be executed in any number of counterparts and all of such counterparts taken together are taken to constitute one and the same instrument.

24. ENTIRE AGREEMENT

This agreement, including any exhibits and annexures, constitutes the entire agreement between the parties on the matters dealt with in this agreement and supersedes all prior communications and representations, inducements, undertakings, agreements or arrangements between the parties or their respective officers in respect of the matters dealt with in this agreement. No party is, after the date of execution of this agreement, entitled, as against any other party hereto, or the officers of any such party, to bring suit on the basis of any verbal or Written communications, representations, inducements, undertakings, agreements or arrangements except expressly as provided by this agreement.

25. PRIVACY POLICY

Please speak to your appointed Client Manager should you require a copy of our privacy policy.

26. HOURLY RATES & FEES

Consultant	Service Type	Hourly Rate *
Senior Accountant (Chartered Accountant)	Bookkeeping	\$70 per hour
	BAS & accounting services	\$85 per hour
	Business advisory services	\$100 per hour
	ASIC agent services	\$100 per hour
	Tax advice & services	\$100 per hour
	Systems implementation & training	\$110 per hour
Accountant/ Senior Bookkeeper	Bookkeeping	\$65 per hour
	BAS & accounting services	\$80 per hour
	Systems implementation & training	\$95 per hour
Bookkeeper	Bookkeeping	\$55 per hour
	BAS & accounting services	\$65 per hour
	Systems implementation & training	\$80 per hour
Junior Bookkeeper	Bookkeeping	\$35 per hour
	BAS & accounting services	\$45 per hour
Fixed Fee Services	Preparation & lodgement of BAS return – Tier I (includes preparation of management report)	\$150 per return
	Preparation & lodgement of BAS return – Tier II (includes preparation of management report)	\$200 per return
	Preparation & lodgement of IAS return	\$50 per return
	Preparation & lodgement of annual payment summaries	\$200 per payroll
	Acting as company ASIC Agent, including receipt, review and forwarding of annual ASIC statement, preparation of insolvency minutes	\$150 per annum

27. DESCRIPTION OF SERVICES

Service Type	Specific Services Include:
Bookkeeping	<ul style="list-style-type: none"> • Data entry • Coding of transactions • Bank & credit card reconciliations • Sales invoicing & credit control • Purchase invoices and payment processing
BAS & accounting services	<ul style="list-style-type: none"> • Preparation & lodgement of BAS & IAS Returns • Payroll • Superannuation • Preparation & lodgement of annual payment summaries • Preparation & lodgement of payroll tax returns • Preparation & lodgement of FBT returns • Workers compensation insurance declarations
Business advisory services	<ul style="list-style-type: none"> • Preparation of budgets • Preparation of management reports • Cash flow forecasting • General accountancy advice • de facto CFO services
ASIC agent services	<ul style="list-style-type: none"> • Preparation & lodgement of ASIC forms, as required • Preparation of minutes & resolutions
Tax advice & services	<ul style="list-style-type: none"> • Preparation of financial statements • Preparation of tax returns • General tax advice
Systems implementation & training	<ul style="list-style-type: none"> • Implementation of accounting or add-on products • Training, as required

Each consultant has an allocated charge-out rate, commensurate with the nature of the work, their qualifications and level of experience.

Our fees for the preparation and lodgement of annual accounts and tax returns vary, dependant on the complexity of the respective entity and the state of the existing accounting records and supporting documentation. Please speak to us if you would like a more accurate quote.

28. SET-UPS & REGISTRATIONS

Service Type	Fixed Fee *
Trusts Formations	
Discretionary Trust	\$375
Unit Trust	\$375
<i>Note a \$500 stamping fee is payable to the Revenue NSW</i>	
Company Formations **	
Standard Company	\$800
SMSF Special Purpose Company	\$900
SMSF Establishment with Corporate Trustee	\$1,500
SMSF	
SMSF Deed of Establishment	\$500
SMSF Deed of Variation	\$650
SMSF Holding Trust	\$750
SMSF Limited Recourse Loan	\$600
Pensions	
Account Based Pension	\$300
Transition to Retirement Pension	\$300
Registrations	
ABN	\$50
TFN	\$50
GST	\$50
PAYGW	\$50
Loans	
Division 7A loan	\$350
Limited Recourse Borrowing Arrangement Division 7A Loan	\$500

* Excludes GST

** Includes ASIC Registration fee and all minutes required to appoint directors etc