



Sphere Chartered Accountants Limited - TERMS OF ENGAGEMENT

Responsibilities

You acknowledge that you are responsible for the reliability, accuracy and completeness of the accounting records and that you have disclosed to us all material and relevant information on a timely basis in order that the engagement can be completed on a timely basis. You will be required to review and approve the final returns and reports for reasonableness and correctness, and you will need to understand the importance and risks of signing those documents as being true and correct statutory records.

Our engagement does not include the investigation or discovery of internal control weaknesses, errors, illegal acts or other irregularities, including without limitation, fraud, or non-compliance with laws and regulations. However, we will inform you of any such matters which come to our attention during the course of our engagement or we can review such matters at your request.

Please be aware that:

1. You are responsible for the accuracy and completeness of the particulars and information provided in relation to the accounting services and this responsibility rests with you;
2. Any advice given to you is only an opinion based on our knowledge of your particular circumstances; and
3. All taxpayers are obliged to keep full and proper records in order to facilitate the preparation of accurate returns.

Any information acquired by us in the course of our engagement is subject to strict confidentiality requirements. Information will not be disclosed by us to other parties except as required or allowed for by law or professional standards, or with your express consent. Our files may, however, be subject to review as part of the quality control review program which monitors compliance with professional standards by its members. We advise you that by signing this letter you acknowledge that, if requested, our files relating to this engagement will be made available under this program. The same strict confidentiality requirements apply under this program as apply to us.

If, for any reason, we are unable to complete the compilation of your financial information, or we consider the information to be misleading, we may refer to such matters within our compilation report or we may determine, at our sole discretion, not to issue a report.

Your Rights and Obligations

In terms of accounting and taxation services, the Income Tax Act and Professional Standards requires me to advise you of your rights and obligations where we are acting for you. In relation to the professional services provided:

- The Commissioner is entitled to rely on any statements made in your income tax returns. Where those statements are later found to be incorrect, the Commissioner may amend your income tax assessments and, in addition to any additional tax assessed, you may also be liable for penalties and interest charges.
- You have an obligation to keep proper records that will substantiate the taxation returns prepared and which will satisfy the substantiation requirements of the Income Tax Act. Failure to keep such records could result in claims being disallowed, additional tax being imposed, and the imposition of penalties and interest charges.

Services of Others

Where, as part of our engagement, the services of an external consultant or expert are required, an estimated cost and timeframe will be provided for you for your approval.

Ownership of Documents

The final financial statements, income tax returns and any other material that you provide to us remains yours and will be returned to you when the engagement is completed. Any other documents brought into existence by us, including general journals, workpapers and draft financial statements that we create remain our property. However if your affairs at some

time in the future are handled by another Accountant, we will make available as required by the Code of Ethics, such information regarding your affairs that is essential to enable your new Accountant to perform the services we previously provided.

Independence

If we are aware that we are not independent of the client and their associated entities, this fact will be stated in our report. However we will not conduct a comprehensive review to determine whether we are, or not, independent of the client and their associated entities.

Fees

Our fees are normally based on hours worked and charged at rates appropriate to the work performed and the level of expertise required or if a fixed fee arrangement has been put in place the fee as agreed in that proposal to be reviewed annually. You should be aware that, like all other providers of services, we are entitled to retain possession of your records that have been used in relation to this engagement until outstanding fees are settled. Fees that are unpaid after the due date will be charged interest at 1% per month. All collection costs incurred in recovering unpaid fees are at your costs.

Please sign and return this letter to confirm that you agree with the above terms of arrangement for our compilation of your financial statements. The terms recorded in this letter will be effective for this and all future engagements that are similar in nature unless we advise you of any change in our arrangements.

Signature

Date

Acknowledged on behalf of Sphere Chartered Accountants Limited by: Abby Brown (Director)

Signature of appointing party

Client

Date