



Health&Life

HEALTH PRACTICE ADVISORY • ACCOUNTING • TAX

"Creating a sustainable and socially responsible healthcare system"

Proposal for Dr Good Family Practice

Proposal #HL

CREATED BY	CREATED FOR
Health and Life Consulting atf Health and Life Pty Ltd	Dr Good Family Practice
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CEO and Founder	
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"David and his team were instrumental in the purchase, and more recently, the total upgrade and relocation of our now successful General Practice. It is without hesitation that I recommend the services of Health and Life under the wings of David Dahm."

Dr Rod Willet

Jimboomba Junction Family Practice

david dahm david dah



*"Creating a sustainable and socially responsible
healthcare system."*

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"You (David) really have been terrific and we couldn't have come this far without your unfailing advice, availability and support. We look forward to our ongoing association with you and Health and Life as our successful new practice continues to evolve and take shape!"

Dr A Thompson
General Practice Cremorne

INTRODUCTION

Welcome to your proposal.

We are excited to be presenting it to you, as we know that it marks the start of exciting and positive times ahead for you and your current and future colleagues.

This proposal outlines the Accounting, Consulting Services and Products we have discussed. We believe they will help you drive your Practice to your next level of success and beyond.



Source: University of South Australia "The Great Hall Pyramid"

FEES

This section outlines the monthly services and products, included in this proposal and the fees associated with those services and products. Where you are not charged for monthly fees, see [Appendix 3](#) for a full breakdown of what each of these services and products includes, please check out the attached engagement letter for these details.

The engagement letter details our standard hourly rates for both Accounting, Consulting services and all Products and discounts for Accounting and fixed fee clients only. We have indicated below when a fee is a once off fixed fee.

PRODUCTS AND TEMPLATE LICENCES	NO OF USERS OR EMPLOYEES	COST exc GST
Software		
Doctors Pay Calculator Software		
Doctors Pay Calculator Annual Licence Fee		
Practice Agreement Template Licences		
Unitholders Sale Purchase Agreement Template Licence		
Employment Package Kit - Modernised Awards		
Template Licence Chart of Accounts		
Practice Agreement Template Licence		
Practice Asset Sale Agreement Template Licence		
Service Agreement Template Licences (Initial Template Licence)		
Service Agreement Template Licences (Additional Template Licence- The fee is per additional service provider)		
Leasing Proforma Template Licence (Health Insurance Commission Friendly)		
Incorporations - Entity Establishment Cost (Set-up Cost)		
Establishment of Discretionary Unit (Service Trust) & Corporate Trustee		
Establishment of Fixed Unit Trust (Property Trust) & Corporate Trustee		
Establishment of Corporate Beneficiary		
Establishment of Discretionary Trust (Family Trust)		
Establishment of Company (Corporate Trustee)		
Reports		
Optimal Business Structure and Taxation Report		
Good, Bad, Ugly Report		
Practice Valuations		
Option A: Basic Valuation - rely only on Vendor representations		
Option B: Detailed Valuation - includes Due Diligence Investigation (plus costs)		
PRODUCTS AND TEMPLATE LICENCES TOTAL		

THE SERVICES YOU'VE SELECTED

For a reminder of all the services and products we provide and fees and charges, please see the attached Engagement Letter [Appendix 2](#). We will separately bill you for any non-monthly fixed fee products. Our standard hourly rates below apply to you:

Professional Fees - Standard Hourly Rates

Rates	Rate per Hour Accounting	Rate per Hour Consulting
Principal	\$280	\$380
Manager or Business Development Consultant – includes Industrial Relations Specialist, Human Resource Specialist, Management Accountant and Practice Advisor	\$240	\$250
Consulting Accountant /Senior Accountant/ Field Assistant/ Practice Advisor	\$190	\$230
Administration Support	\$80	\$120

For insurance reasons due to the lack of continuity a higher consulting higher rate applies if we are not your regular accountant who prepares your annual tax returns and financial statements. These products and hourly rate fees are generally 30% lower for accounting clients.

Who do you contact about legal questions?

We are not lawyers. If you have any legal questions in relation to any agreements or template documents, then you can use the legal helpline that the law firm Peripheral Blue and Maddox Lawyers (via Cleardocs) provides to Health and Life. Peripheral Blue and Maddox are our primary independent lawyers we use. They sign-off on master documents and the question interface before we put the documents on our site. We do use other external lawyers and advisers from time to time, you will be advised when this is required. They will contact you and charge you separately for their services.

The first thing to do is ring us. We will arrange for you to speak with the relevant lawyer firm. If you require other legal advice in relation to your particular circumstances, then this will be charged for.

Our number is 1800 077 222.

Should you require another quote for accounting and taxation services please indicate below:

I/We have read and understood all pages of this agreement and agree to all Terms & Conditions including the engagement letter HL#

1. Yes, I would like consulting services only at the higher hourly rate and fees. I agree all product template licences cannot be duplicated unless I have purchased additional template licenced copies from Health and Life;

or

2. Could you please provide me a quote for annual taxation and accounting services add at the lower Accounting rates as we wish to be an annual accounting and taxation client.

WHAT HAPPENS NEXT?

Moving over to us or receiving experienced advice and getting the ball rolling couldn't be simpler:

STEP 1 - Approve this quote and digitally sign the proposed - [Appendix 2 Engagement Letter](#).

STEP 2 - We'll then send over a link to set up your fixed monthly payments if applicable. We bill you fortnightly as per our attached Engagement Letter for any other products or services.

STEP 3 - We'll get in touch with your last accountant and sort EVERYTHING! And don't worry, they'll still speak to you. Ideally, if you can let them know beforehand and let us know when you would like us to contact them.

STEP 4 - We will install the necessary systems as discussed. For example, if you have elected to use our financial outsourcing (bookkeeping) service, this will comprise of

- **Software** - Xero set up & configured to track the performance of your agency
- **Bookkeeping** - AutoEntry, Key Pay and Wrike set up and integrated with your Xero account to increase the efficiency of your day-to-day financial admin and the way you communicate with our team.

STEP 5 - We will then provide your Onboarding Session for us to define the goals of the practice and provide training to you and any members of your team that you'd like to bring along with you.

APPENDIX 1 PRODUCTS AND TEMPLATES LICENCES

SOFTWARE

Doctors Pay Calculator Software (once off fee)

This exclusive software program is used to calculate providers pay calculations based on a percentage of gross receipts. The program helps you prepare Tax Invoices, BAS Extract Summaries and Annual Tax Returns. It is like a payslip for self-employed practitioners. This provides a competitive edge over practice who are not using it.

Doctors Pay Calculator Annual Template Licence Fee

This exclusive software program is used to calculate providers pay calculations based on a percentage of gross receipts. The program helps you prepare Tax Invoices, BAS Extract Summaries and Annual Tax Returns. It is like a payslip for self-employed practitioners. This provides a competitive edge over practice who are not using it.

PRACTICE TEMPLATE LICENCES

Unitholders Sale Purchase Agreement Template Licence

This charge is for a template licence agreement that is required when a practice owner wishes to sell all or a part of their ownership interest. The agreement plays a devil's advocate to the sale process. Excludes scheduling or proforma completion, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document. The areas covered include:

1. Sale price, terms and conditions
2. Payment
3. Completion
4. Buyer and Seller obligations at completion
5. Buyer and Seller Warranties and Obligations
6. Duties & GST

Employment Package Kit - Modernised Awards

Employment template licences for Doctors, Practice Managers, Nurses and Reception Staff including confidentiality, occupational health and safety statements. Excludes scheduling, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document.

Template Licence Chart of Accounts (once off fee)

MYOB/Quick Books/Reckon/Xero chart of accounts template licence (non-tailored) for a:

- Billings Trust account and Service Trust account (excluding payroll set up) (if applicable)
- Family Trust (if applicable)
- Partnership (if applicable)
- Corporate Beneficiary (if applicable)

Template Licence Chart of accounts for a Billings Trust and Service Trust. Standard hourly rates apply for tailoring. (Excluding payroll set up) Please note that Health & Life preparation time is not included in this price.

Practice Agreement Template Licence

This is a 'practice owner' template licence agreement. Key features include internal practice valuations formula that do not require external valuations to value your practice in the event of a retiring partner leaving due to sickness or ill health. The agreement covers profit sharing, decision making and succession planning issues. The agreement plays a devil's advocate to key issues that affect the daily operations of the practice. Excludes scheduling, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document. See below for further information on when to use a legal adviser.

The areas covered include:

1. Entry and Exit
2. Pre-agreed Practice Valuation
3. Profit Sharing
4. Death and Disability
5. Decision making
6. Working conditions e.g. after hours and on call etc.

Practice Asset Sale Agreement Template Licence

This is a template licence agreement that is required if assets have to be transferred from an old entity into a new service trust for practice restructuring purposes. The agreement plays a devil's advocate to the sale purchase process. Excludes scheduling, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document. See below for further information on when to use a legal adviser.

The areas covered include:

1. Sale price terms and conditions
2. Deferred Consideration or Vendor Finance Clause
3. Leave Entitlement Clauses
4. Buyer and Seller Warranties and Undertakings

5. Compensation Clauses from failure to Disclose

Service Agreement Template Licences (Initial Template Licence)

The Service Agreement outlines the working relationship that exists between the Practitioner and the Service Entity. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price.

Service Agreement Template Licences (Additional Template Licence- The fee is per additional service provider)

The Service Agreement outlines the working relationship that exists between the Practitioner and the Service Entity. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price.

INCORPORATIONS- ENTITY ESTABLISHMENT COST (SET-UP COST)

Establishment of Discretionary Unit (Service Trust) & Corporate Trustee

Incorporation of Corporate Trustee including:

Australian Securities & Investments Commission fees for the incorporation of a new company.

- ABN and TFN Application.
- Establishment of Service Trust including Service Trust Deed and Service Trust Register.

A Company register including the Memorandum and Articles of Association and all other corporate secretarial documentation. These details will be required as soon as possible in order for a new group structure to be established. Not all owners have to be ready, just one for the process to commence.

Excludes scheduling, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document.

Establishment of Fixed Unit Trust (Property Trust) & Corporate Trustee

Establishment of Property Trust including Property Trust Deeds and Property Trust Register. Incorporation of Corporate Trustee, which includes Australian Securities & Investments Commission fees for the incorporation, Company register which includes the Memorandum & Articles of Association and all other corporate secretarial documentation including printing and stamping. There is no charge for the Trust Deed. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price. This includes one company i.e. corporate trustee.

Establishment of Corporate Beneficiary

Establishment of a Corporate Beneficiary Register including printing and stamping. There is no charge for the Trust Deed. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price.

Establishment of Discretionary Trust (Family Trust)

Establishment of a Family Trust including Family Trust Deeds and Family Trust Register including printing and stamping. There is no charge for the Trust Deed. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price. This includes two companies i.e. corporate appointor and corporate trustee. See Proposed Legal and Tax Structure in the Standard Articles.

Establishment of Company (Corporate Trustee)

Establishment of a Company register including the Memorandum and Articles of Association and all other corporate secretarial documentation. Excludes scheduling, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document.

APPENDIX 2 ENGAGEMENT LETTER

INTRODUCTION

6 March 2019

Dear _____,

This letter is to confirm our understanding of the terms of our engagement and the nature and limitations of the services that we provide. This is our standard engagement letter; we are required to provide for professional accreditation standards. Further explanation on any advice provided can be found in our [Standard Articles](#).

This letter covers 4 key components types of services and products, fees, how to keep our fees down and terms and conditions:

1. Types of Services

1.1 *Types of Services* see [Appendix 3](#)

[Appendix 3.1 Consulting Services](#)

[Appendix 3.2 Accounting and Taxation \(Annual\)](#)

[Appendix 3.3 Financial Outsourcing \(bookkeeping\)](#)

- Provider Percentages Payroll, Staff
- Payroll
- Bookkeeping including BAS/IAS)
- Monthly Financial and Key Performance Indicator Reports
- Practice Mentoring and Coaching

1.2 *Types of Products* see [Appendix 3.4](#)

[Appendix 3.4 Products and Template Licences](#)

- Doctors Pay Calculator Software
- Practice Template Licences – employment, owner agreements and chart of accounts
- Incorporation of Companies and Trusts

2. **Fees** see [Appendix 4](#)

Appendix 4.1 **Fees – Accounting, Tax and Consulting Standard Hourly Rates**

- Consulting – Practice Advisory Set Up and Ongoing
- Accounting and Taxation

Appendix 4.2 *Products and Templates Licences*

Monthly Fixed Fee Financial Outsourcing (bookkeeping) see [Appendix 3.3](#)

1. How to keep our costs down see [Appendix 5](#)
2. Terms and Conditions see [Appendix 6](#)

SCOPE OF SERVICES

Our retainer is to act as an adviser in the matter of establishing or restructuring your Practice and related entities including but not limited to the preparation of annual Financial Statements, Income Tax Returns for all companies, trusts, and individuals and any other related matters including but not limited to personal estate planning. This may also include consulting and all other products, template licences, and services as listed in **Types of Services** [Appendix 3](#).

This agreement applies in relation to our fees for all work done by us in connection to the matter in which we are instructed by you, including fees for work done pursuant to additional or varied instructions provided by you after the commencement of this agreement.

Who do you contact about legal questions?

We are not lawyers. If you have any legal questions in relation to any agreements or template documents, then you can use the legal helpline that the law firm Peripheral Blue and Maddox Lawyers (via Cleardocs) provides to Health and Life. Peripheral Blue and Maddox are our primary independent lawyers we use. They sign-off on master documents and the question interface before we put the documents on our site. We do use other external lawyers and advisers from time to time, you will be advised when this is required. They will contact you and charge you separately for their services.

The first thing to do is ring us. We will arrange for you to speak with the relevant lawyer firm. If you require other legal advice in relation to your particular circumstances, then this will be charged for.

Our number is 1800 077 222.

We will be responsible for the following if you elect to use these services or products:

2.1 *Fixed and Standard Hourly Rates*

2.2 *Products and Template Licences* E.g. Doctors Pay Calculator Software, Practice Template Licences and Incorporation of Companies and Trustee Deeds and Special Projects as quoted

2.3 *Monthly Fixed Fee Financial Outsourcing* E.g. Provider Percentages Payroll, Staff

Payroll and bookkeeping including BAS/IAS) and Monthly Financial and Key

Performance Indicator (KPI) Reports per entity.

2.3.1 Entry

2.3.2 Intermediate

2.3.3 Advanced (most popular includes Doctors Pay Calculator, staff and provider agreements, book keeping and annual tax and accounting and KPI reporting)

2.3.4 Custom (includes KPI monthly, quarterly or annual reporting and feedback)

We have issued you this agreement based on the services you require. Please note the monthly fixed fee services will be offered after we have either cleaned and/or set up the necessary accounting systems and processes and ensured they are appropriate for your needs.

You can upgrade to a new level of service where additional work is required to recalibrate and integrate software programs and processes our stand hourly set up fees will apply.

ABOUT HEALTH AND LIFE – WHY ARE WE UNIQUE?

We are a multi-award-winning firm which includes the 2014 Owner Manager of the Year and 2011 Telstra Awards. To our knowledge, there is no other company offering the same range of services and support to doctors in Australia. We believe in “hands on management” depending on each client’s needs.

We leverage the resources available to clients utilising the latest in computer hardware and software. Skilled and experienced personnel are used to complete any given project or task on time and on budget. This creates more opportunities for clients to expand their services without the extra overheads and worries.

We are actively involved in the management of solo to large group specialist and general practices. Our largest group practice client employs 60 practitioners.

ABOUT YOUR TEAM

Every practice client is allocated a minimum of two and up to six staff per engagement. This is to ensure continuity and rapid turnaround of your affairs. You will not be charged for any duplication of services. Your Principal Adviser is David Dahm and should there be any concerns, please directly contact him as detailed below.

David Dahm

Principal (08) 8415 5400 pa@healthandlife.com.au

Persons responsible for the following key positions will be assigned initially to your account. If you have any questions, please contact one of them. We will be advising you shortly by face to face meeting or video conference who your allocated team will be. Depending on the nature and complexity of your affairs, the personnel structure outlined in the proposal will be applied to your account.

Our CEO and Founder is David Dahm CA, FCPA, CTA, BA Acc. FFIN, FTIA, FAAPM, FAIM, GLFG.

David is the CEO and Founder of Health and Life. He has a Bachelor of Arts in Accountancy Degree from the University of South Australia and is a qualified Chartered Accountant, Fellow of Certified Practising Accountant, Chartered Tax Adviser with postgraduate qualifications in Applied Corporate Finance and Investment with the Financial Services Institute of Australia (formerly known as the Securities Institute of Australia), Fellow of the Australian Association of Practice Managers, Certified Practice Manager and Fellow of the Australian Institute of Management. Originally, he worked for the international Chartered Accounting firm KPMG and has had extensive experience in the Corporate Services Division. He is a former Vice President of Australian Association of Practice Managers (SA) and National Board Director. David has been the National Primary Care Collaborative Consultant who is involved as a financial analyst in establishing a national business case for improved GP Access without compromising quality care.

To find out more about David – click here: [David Dahm](#)

Staff Changes

From time to time you may experience a change in Consulting Accountants due to family leave or other employment arrangements. Please be reassured that all our Consulting Accountants are suitably qualified and follow a strict Quality Assurance program (we are Accredited by both the Institute of Chartered Accountants and CPA Australia). We endeavour to match the Client profile and personality with the appropriately skilled Consulting Accountant, however, if you feel that we have got it ‘wrong’, please let us know and we can discuss the issues in detail and if no compromise is available, transfer you to another Consulting Accountant.

How we work with you and keep our fees low and of value?

INVOLVEMENT OF EXTERNAL ADVISERS

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

OUTSOURCED AND OVERSEAS SERVICES

We employ staff in the Philippines and hold data in the United States of America.

Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of outsourced and overseas services as described. Where the outsourced service requires the disclosure of personal information to an overseas recipient a consequence of your consent is that Health and Life will be required to take reasonable steps

to ensure that the Australian Privacy Principles are complied with by the overseas recipients of the Personal Information. For more information, see [Appendix 6](#) Terms and Conditions.

COMMUNICATION CHANNELS

The establishment and retention of communication channels between Health and Life and the Practice are vital for our relationship to remain workable. Our experience shows that problems can continue undetected, important data can be misdirected, and mix-ups can easily occur when direct communication or personal accessibility is restricted. We, therefore, view communications as a serious matter.

We expect that our direct discussions with you will involve myself and other assigned professional personnel within Health and Life. We will not abuse the direct channel to you by discussing day-to-day matters that should be directed to your office management or clerical personnel.

The most effective way clients communicate with us is with Wrike.com. This avoids chasing emails and maintains a real time thread of any matter with us and your staff. This is conveniently accessible on your mobile device and desktop computer. This saves on unnecessary misunderstandings and fees.

TIMELINESS OF SERVICES

We intend to provide our services on a timely basis. However, our performance depends, in part, on your cooperation. In order to have timely management advisory services and reports from us on a regular basis, we must receive requested information from your office on a timely basis.

We look forward to full cooperation with your staff and any other related parties (including but not limited to the taxation office, accountants, lawyers and investment advisers) and we trust that they will make available to us records, documentation and any other information requested in connection with our engagement.

For legal reasons, a reminder fee may be charged for following up outstanding documents where repeated requests are made i.e. greater than three times.

EMAIL BUSINESS OF HEALTHCARE NEWS ALERT

As a Health and Life client, it is our expectation that Practice Managers/CEO's and Chair/Managing Principals will receive our email broadcasts and keep themselves up to date with industry changes and our recommendations as appropriate. Please email pa@healthandlife.com.au to be added to our news alert if you have not been added previously.

Useful links

Website: <http://www.healthandlife.com.au/>

Health and Life in the Media and related topics of interest:
<https://issuu.com/home/publications>

Free Blog: <http://thebusinessofhealthcare.com.au/>

Client's testimonials: [http://www.healthandlife.com.au/what we do_/testimonials](http://www.healthandlife.com.au/what_we_do_/testimonials)

Facebook: <https://www.facebook.com/healthandlifeaccounting>

Free Discussion Group on LinkedIn: <http://www.linkedin.com/groups/Business-Healthcare-5135205?gid=5135205&mostPopular=&trk=tyah&trkInfo=tarId%3A07979864364%2Ctas%3Athe%20business%20of%20health%2Cidx%3A2-1-2>

So you are ready start!

Congratulations we really appreciate your decision to choose Health and Life services and or products.

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 perform any work for you until we receive the signed copy.

Should you have any concerns please raise in the comments area at the end of the letter.

We look forward to working with you and your team and your exciting vision in bringing your dreams into reality.

Warm regards

David Dahm
0407 620 120
CEO and Founder

APPENDIX 3 TYPES OF SERVICES AND PRODUCTS

We can provide you with the following accounting, tax and practice management advisory services. We can discuss each service, and if you should not want a particular one performed, just let us know. We will only perform those services that you request.

There are four types of services and products:

Appendix 3.1 Consulting Services (Practice Advisory Set Up and Ongoing)

Appendix 3.2 Accounting and Taxation (annual)

Appendix 3.3 Financial Outsourcing (bookkeeping)

Appendix 3.4 Products and Template Licences (Doctors Pay Calculator Software, Practice Template Licences and Incorporation of Companies and Trustee Deeds).

For practical and economic reasons, from time to time we expect some of the duties specified below will be delegated to staff members employed at each practice location. Our role, as specified by the Practice, will be to oversee these functions on a regular or 'as needs basis'.

The scope and nature of services may not be limited to, but can include:

Appendix 3.1 Consulting Services

PRACTICE MANAGEMENT SERVICES

1. FULL PRACTICE ASSESSMENTS

- GST Planning
- Strategic Management
- Marketing
- Legal and Taxation Structure
- Computerisation
- Maximising revenue and minimising costs
- Office Management and Efficiencies
- Human Resource Management and Industrial Relations

2. LONG-RANGE PLANNING

- Project firm's growth and future needs
- Develop and analyse costs of new areas and potential mergers
- Prepare and update long-range budget projections
- Convene strategic planning meetings

3. TRAINING

- QuickBooks/Quick Payroll
- MYOB
- Xero
- Other Accounting Information System packages
- Microsoft Word, Excel, Access and Publisher packages
- Doctors Pay Calculator

4. PERSONNEL

- Recruitment of practice staff
- Doctors & staff contracts
- Determine staff needs
- Locate, screen, test and engage
- Conduct evaluations
- Maintain personnel files
- Provide supervision and general discipline
- Maintain methods of communication with partners and staff
- Induct all new staff
- Schedule vacations
- Maintain staff morale
- Staff counselling
- Arrange terminations
- Assist in security – professional and support
- Regulate workflow including overtime
- Develop individual job descriptions
- Assist in professional staff evaluations

5. OFFICE AND EQUIPMENT SUPPLIES

- Ensure firm has adequate facilities
- Ensure proper inventory available
- Supervise storage and distribution of office supplies
- Keep abreast of latest equipment
- Evaluate new proposals, negotiate with vendors

6. PHYSICAL FACILITIES

- Make recommendations regarding space requirements and utilisation
- Maintain relationship with landlord
- Ensure proper maintenance, appearance, cleanliness and security of facilities
- Manage practice site construction and redevelopment

7. SYSTEMS, PROCEDURES AND SERVICES

- Study and recommend changes in office procedures
- Supervise operations and update of:

- Data processing
- Word processing
- Workflow
- Photocopying and scanning
- Document storage and retrieval
- Mail and support system

8. LIBRARY AND CONTINUING EDUCATION

- General administration of library, staffing and procedures in association with principals
- Coordinate continuing education

9. COMMUNITY & PUBLIC RELATIONS

- Supervise reception area and telephone systems
- Maintain public relations material
- Arrange public relations program

10. INSURANCES

- Ensure adequate insurance program:
 - Accident and health
 - Casualty
 - Professional indemnity
 - Disability
 - Practice property
 - Keyman Insurance

11. FINANCE, TAXATION & ACCOUNTING

- Tax administration
- Assistance with Business Activity Statement preparation
- Develop financial plans and budgets
- Provide reports against budgets
- Provide other management reports (monthly ratio analysis)
- Supervise billing procedures and debtors' control
- Assist in the maintenance of accounting records including payroll support
- Study and improve internal control systems
- Computerised billing and accounting
- Maintain banking relations
- Liaise with accountants, Australian Taxation Office and financial advisers

12. NEGOTIATIONS – PROVIDER & SUPPLIER NEGOTIATIONS

- Workforce recruitment
- Landlord and tenancy leasing i.e. pathology, radiology, pharmacy, specialists and Allied Health
- Negotiating Corporate contracts e.g. medical and dental Consumables

- Practice Mergers and Acquisitions

13. PRODUCTS AND TEMPLATE LICENCES

Products and Template Licences – company incorporation documents, trust deeds, trusted practice and employment template licences, any template licenced intellectual property, software e.g. Doctors pay Calculator – see Products and Template Licences [Appendix 3.4](#)

14. FINANCIAL OUTSOURCING (including book keeping)

Financial outsourcing (book keeping). A cost effective, 24/7 access to your up to date financial position from your mobile device see Financial Outsourcing [Appendix 3.3](#).

15. SPECIAL PROJECTS

These are special reports and services customised to your practice. We use 27 years of your benchmarking intellectual property and experience using over 1,200 practices to provide the breadth and depth analysis that is relevant to your practice.

15.1. Optimal Business Structure and Taxation Report

This report assesses the appropriateness of the current structure from a medico legal and taxation purposes. Key areas identify malpractice risks and a tax and accounting compliance saving opportunities. Practices are required to send in all legal and accounting documentation for review and it includes an untimed teleconference debrief. Please note that Health & Life preparation time is not included in this price.

**Prices depend on complexity and whether a written report is required.*

15.2. Good, Bad, Ugly Report

The MRI analysis of your practice. This report assess your practice to Best Practice in Australia and provides recommendations for improving the efficiency and productivity of your practice. We review staff productivity, practice profitability, compare practice financial performance to our 25+ year unique and exclusive national benchmark series. We also assess government grants if you are obtaining the same level of government grants as other similar typed practices have achieved.

**Price depends on the complexity see Products and Template Licences [Appendix 3.4](#)*

15.3. Practice Valuations

Option A: Basic Valuation – rely only on Vendor representations

Option B: Detailed Valuation – includes Due Diligence Investigation

The Valuation Document depending which option is elected, covers the following: Practice Valuation, Legal and Tax Structure Explanation, Practice SWOT Analysis for Valuation Purposes,

Taxation Benefits, Future Profit Projections, Hip Pocket Financial Return to Investor after tax and Vendor or Finance Options (if applicable).

Appendix 3.2 Accounting and Taxation (annual)

BAS returns

As the BAS returns are prepared quarterly and lodged during the financial year, it is not possible for this firm to review the correctness of the underlying financial information as part of the preparation of the quarterly BAS return. This is because we are engaged to prepare the annual accounts and these are prepared after the conclusion of the financial year.

Therefore, for the quarterly BAS returns, we will rely on and process the financial information provided to us without any review of the primary source documents. In doing that, we will make the following specific assumptions:

- The financial information provided to us is accurate.
- The financial information correctly states the GST position. For example, all input tax credits and GST payable amounts have been correctly recorded in the general ledger. If you are unsure of the correct position or require advice regarding this, we are able to provide this as work which is outside the scope of this letter and charged as additional services.
- You have the necessary supporting documentation to satisfy the Australian Taxation Office for GST purposes. Again, if you are unsure of the ATO requirements or require advice regarding these documents, we are able to provide this as work which is outside the scope of this letter and charged as additional services.
- You hold valid tax invoices and adjustment notes for all expenditure incurred by you in respect of which an input tax credit is being claimed. Substantial penalties apply for an incorrectly prepared BAS. If you have any queries in respect to this, please contact our office for assistance.

However, it is possible that, when the financial accounts are prepared, some discrepancies will exist between the information disclosed in the quarterly BAS returns and in the annual financial statements.

Should any discrepancies arise, we will discuss the need to correct either the BAS returns and/or financial accounts. Those services will involve work which is outside the scope of this letter and will be charged as additional services.

Financial accounts

Preparation of the Annual Financial Accounts, including the Profit and Loss Statement and the Balance Sheet. This firm has been engaged to prepare the annual financial accounts of the business entities in your group. This service includes the preparation of:

- a profit and loss statement;
- a balance sheet; and

- notes for the above accounts.

This service includes maintenance of the chart of accounts for the general ledgers of your business entities. It also includes telephone support should you require any assistance as to how to record specific transactions in the general ledger.

The fee for this service also includes the preparation and lodgement of the standard reports to be furnished to ASIC.

This service does not include the preparation of one-off accounts for presentation to your financiers for additional finance and the like.

Income tax returns

This firm has been engaged to prepare and lodge income tax returns for the business entities in your group and for your family.

This firm will not be responsible for reviewing or verifying any financial records or statements provided to it either via manual cashbooks or prepared on accounting software such as Xero/MYOB or QuickBooks or any other bookkeeping program. Correct coding or classification of accounts is outside the scope of this engagement. If assistance is required in how to correctly code or to review how you currently do so, please discuss this with us. This will entail work which is outside the scope of this engagement and will be charged as additional services.

Also please ensure that you have all source documentation available to allow this firm to analyse the income tax implications of any transaction, if we request to see it. Whilst we will not as a matter of course be looking at these documents, the ATO will expect you (and you are required) to have them available before any claim is made in your income tax return. We may in some circumstances also request to see source documents if a tax issue is particularly contentious.

It is also expected that, in respect of individual income tax returns, each person will have the necessary documents so as to comply with the substantiation provisions of the *Income Tax Assessment Act*.

We will specifically advise as to the requirements of the substantiation provisions relating to your income tax return and of the necessity to obtain acceptable receipts as specifically required by the legislation. We will not, however, be checking that the requirements of the substantiation provisions have been satisfied.

This specifically means that we will not be reviewing your log book or any calculations or information you provide us, for example a rental property schedule either prepared by you on spreadsheet or by a property manager. If you require assistance in completing a log book or preparing any calculations or you would like us to review such work, please discuss this with us. This will entail work which is outside the scope of this letter and will be charged as additional services. From time to time, this firm prepares template licences and schedules to assist with the collation of information to complete income tax returns.

These will be provided free of charge.

The fee for this service does not cover any inquiries made to us or investigations involving us conducted by the Australian Taxation Office. Substantial penalties apply for an incorrectly prepared income tax return. If you have any queries in respect to this, please contact our office for assistance.

Each client in the Group agrees that we can bank into our trust account tax refund amounts if applicable received on behalf of that client and can deduct from those amounts any fees owed to us either by that client or by any other member of the Group.

Fringe benefits tax returns

This firm has also been engaged to prepare and lodge the FBT returns if required for your business entities. Please note, with the introduction of GST, it is no longer possible to prepare an FBT return from the information contained in the general ledger.

It is necessary to revert to the source documentation to allow our firm to analyse the FBT implications of any transaction.

Our fee for this service includes advice on how to collate the information necessary to prepare the annual FBT return. This fee also includes telephone advice on basic FBT issues. Our fee also includes an annual review of the methods available to reduce the FBT expense on the annual FBT return.

This fee also includes the calculation of Reportable Fringe Benefits Tax Amounts that may be required to be included on the annual payment summaries for your employees (including family members employed in your business).

Corporate secretarial services

This firm has also been engaged to prepare and lodge any Company's ASIC Australian Securities and Investment (ASIC) Annual Statement and Solvency Statement and the preparation of Company Minutes etc. to comply with statutory requirements where applicable.

WorkCover and Payroll Tax obligations

WorkCover and Payroll Tax obligations, you are responsible for ensuring all payroll records are accurate and comply with the relevant State and Federal laws.

Accounting and record keeping systems and consulting services

When requested we will advise or instruct staff on the maintenance of the accounting and internal control systems.

Consulting advice as requested from time to time. Note we provide an annual management letter that covers some key areas attached in Consulting Services [Appendix 3.1](#)

Superannuation and personal financial planning

Due to recent changes to the licensing, this firm can refer superannuation compliance and financial planning. Please contact us for further information.

This work will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB) and with the relevant Australian Laws.

Appendix 3.3 Financial Outsourcing (bookkeeping)

Financial Outsourcing

What bookkeeping services do we offer?

Our team are experienced and apply best practice principles across the full end to end bookkeeping and compliance functions –

As a broad overview for a business entity these functions will form the core capability of your dedicated resources

Function	Specific
Bookkeeping	<ul style="list-style-type: none"> ▪ Maintain and manage general and sub-ledger accounts in accordance with relevant Accounting Standards (AASB) such that: <ul style="list-style-type: none"> ▪ Balances are reconciled; ▪ Accounts are analysed monthly; ▪ Details and schedules can be made readily available. ▪ Perform monthly closing procedures of all accounts for timely submission of reports. ▪ Prepare and/or produce accurate Balance Sheets and Income Statements monthly including supplemental financial schedules.
Bank Reconciliation	<ul style="list-style-type: none"> ▪ Records all bank movements within accounting system using correct accounting treatment ▪ Creation and maintenance of bank rules for increased efficiency ▪ Prepares bank reconciliation, maintaining the system bank feed balances in accordance with true banking records ▪ Obtain documentation for business expenses made directly by directors and employees to confirm accounting treatment is appropriate
Accounts Payable	<ul style="list-style-type: none"> ▪ Using Auto Entry, record all accounts payable invoices within accounting system with correct allocation and GST.

- Create and maintain Supplier Rules and manage the Auto-Publish function within Receipt Bank to gain increased efficiencies
 - Review and make payments for the reimbursement of employees for business related purchases
 - Process batch payments for business related payables, expenses or purchases with proper approvals and supporting documents (i.e. invoices; receipts; and proof of purchase)
 - Prepare schedules and accounts payable related reports, including email notification to management of Important/ Urgent payables.

- Monitor invoicing systems ensuring system integrations remain intact and appropriately record accounts receivable accounting entries in accounting system
 - Prepare Accounts receivable aging schedules with status updates.
 - Generate AR aging reports and identify critical issues.

- Supply provider template licence, [software](#) and accurate compliance with pay preparation
 - Prepare and/or produce accurate provider Tax Invoices, BAS and Income Tax Extract summaries
 - Prepares bank reconciliation, maintaining the system bank feed balances in accordance with true banking records
 - Obtain documentation for business expenses made directly by directors and employees to confirm accounting treatment is appropriate
 - Records all bank movements within accounting system using correct accounting treatment
 - Creation and maintenance of bank rules for increased efficiency
 - Prepares bank reconciliation, maintaining the system bank feed balances in accordance with true banking records
 - Prepare and/or produce accurate Balance Sheets and Income Statements monthly including supplemental financial schedules.

- Preparation of Payroll including electronic uploading of payment into online bank facilities.
 - Preparation and payment of Superannuation
 - Preparation of Final pay computation for resigned employees
 - Setup of New employees in Payroll system
 - Review, reconciliation and preparation of Annual Payment Summaries

- Preparation and lodgement of IAS
 - Preparation and lodgement of BAS
 - Preparation and lodgement of Payroll Tax
 - Preparation of year end requirements

Accounts
Receivable

Provider Pays –
Service Fee
Calculations for
providers using
[Doctors Pay
Calculator
Software](#) – for full
audit trail and see
[brochure](#) for full
details.

Payroll

Tax Compliance

Financial Statements	<ul style="list-style-type: none"> ▪ Review and analysis of client accounts ▪ Preparation of Financial Statement for Companies, Trusts, Partnerships and Sole Traders ▪ Preparation of Accounting Workpapers, supporting Balance Sheet accounts, key Expense accounts and Income Tax Calculations ▪ Calculation of Fringe Benefits Tax and preparation of relevant accounting entries
Tax Return Preparation	<ul style="list-style-type: none"> ▪ Preparation of Income Tax Reconciliations ▪ Preparation of Tax Returns for Individuals, Companies, Trusts and Partnerships ▪ Calculation of Company Franking Account balances
Activity Statements	<ul style="list-style-type: none"> ▪ Preparation of IAS/BAS ▪ Reconciliation of ATO liabilities including GST Payable, PAYGW Payable and Income Tax Provisions

3.1.1 Accounting System 'Clean Up and Set Up' (once off) includes:

Clean up and set up of accounting and order processing system in order to establish the scope of work for ongoing accounting and order processing services and related costs, including:

- Meeting with your personnel either face to face or video conference;
- Liaising with software vendors to answer your functionality queries;
- Software installation such as Xero and setting up tax codes in your Chart of Accounts. This includes training of how to apply the tax codes when using the software.
- Coding of transactions in relation to GST and entering this information into Xero accounting software
- Setting up or designing your Tax Invoice and/or Adjustment Note Template Licences that you will use to raise sales or credit invoices for your customers
- Setting up payroll
- Researching and Integrating with appropriate software
- Configuring the BAS report in Xero which you can use to prepare a draft Activity Statement that you may lodge with the ATO (if we do not lodge on your behalf)
- Creating company data, entering chart of accounts;
- Creating accounting classifications, department and project codes;
- Finalising work flows for accounting and order processing systems and allocating roles;
- Testing accounting system

Fees

Standard hourly rates apply for this work no fixed fee arrangement applies.

3.1.2 Processing Services provided on a monthly basis include:

General

- Receipt of client documentation
- Based on information received from the client, preparation of monthly journal entries and recording of business transactions into accounting system
- Maintaining books of accounts in compliance with GAAP or cash book only
- Retention of accounting documents of current year and submit to Client after completion of tax return by tax accountants
- Data Entry (including using tax codes based on the your or accountant's instructions)
- Bank Reconciliations
- Accounts Receivable including raising and sending sales invoices, statements, debtor reports and contacting overdue customers (email reminder only)
- Accounts Payable including payable reports, creditor payments and following up credits and refunds
- Raising reports from software which has been previously configured by your accountant such as draft profit and loss, draft balance sheet and draft trial balance on cash or accrual basis
- General record keeping and filing
- Process the payroll and calculate payments due
- Provision of detailed electronic payslips and year-end summaries
- Produce net pay and tax payment files for import into your bank
- Entering completed of forms tax declaration and tax threshold forms
- Non-variable deduction company pension schemes
- Assess the workforce every pay period and monitor changes
- Process staff additions and departures
- Ongoing employee and statutory communications
- Reporting to Superannuation obligations
- Assessment of new starters and dealing with leavers
- Calculate superannuation contributions for each pay period
- Ongoing postponement planning
- Send super enrolment and contributions to superannuation fund
- Maintain records
- Auto enrolment: Re-enrol eligible workers
- Maintain records of holiday entitlement and holidays taken
- Create full journal entries for easy input into your accounting system
- Create bespoke payroll analysis reports
- Unlimited support for payroll matters

Fees

Fixed monthly fees apply to this type of service. See our Proposal for our packages. If additional work is required outside the above scope, then we ask it to be outlined in an email before commencement of the work. Standard hourly rates apply for this work no fixed fee arrangement applies.

3.1.3 Profit Sharing monthly or quarterly basis include:

Providing calculations on profit sharing based on pre-agreed owner agreements;

- Simple 100% profit distribution and payment advice to a related entity
- Medium fixed profit sharing, distribution and payment advice to a related entity (ies)
- Complex hybrid profit sharing, distribution and payment advice to a related entity (ies)
- Preparation of loan accounts and reconciliations

Fees

Fixed monthly fees apply to this type of service. See our Proposal for our packages. If additional work is required outside the above scope, then we ask it to be outlined in an email before commencement of the work. Standard hourly rates apply for this work no fixed fee arrangement applies.

3.1.4 BAS Services monthly or quarterly basis include:

Providing advice about BAS Provisions which include GST,

- PAYG (Pay as You Go) Withholding and PAYG Instalments. This includes interpreting any of these provisions in relation to your accounts.
- Preparation and/or lodgement of your Business Activity Statements, Instalment Activity Statements or Employee Payment Summaries
- Reviewing your data file (including amendments) and preparing reports which may be used to complete various tax forms
- Preparing reports based on your accounts which may be used to satisfy your year-end tax liabilities and obligations
- Data reconciliation relating to a BAS Provision to determine figures for statutory reporting
- Correspondence with the Australian Taxation Office on your behalf in relation to a BAS Provision

Fees

Fixed monthly fees apply to this type of service. See our Proposal for our packages. If additional work is required outside the above scope, then we ask it to be outlined in an email before commencement of the work. Standard hourly rates apply for this work no fixed fee arrangement applies.

3.1.5 Annual Reports and Transaction Processing Reports monthly or quarterly basis include:

Creation and distribution of monthly reports as directed by Client:

- Cash or accrual accounting;
- Profit and Loss Statement;

- Balance Sheet;
- Ageing Debtor and Creditor Reports;
- Detailed trial balance;
- General Ledger;
- Creation of non-cash journals entries;
- Bank Reconciliation Reports;
- Special Purpose Report E.g. Key Performance Indicator Reports.
- Supply of cloud accounting software
- Supply of a paperless expense and receipt processing system
- Your holistic cloud financial system
- Supply of cloud accounting software
- Posting all business bank transactions
- Completing the monthly bank reconciliations
- Posting purchase invoices, expenses and cash transactions
- Credit card transactions and reconciliations
- Completing the monthly sales and purchase ledger reconciliations
- Completing the monthly GST reconciliation
- Completing payroll journals
- Precision accounting with accruals and prepayments
- Maximise your tax deductions
- Maintaining your fixed asset register
- Debtor monitoring
- Enhanced credit control
- Timely completion of annual accounts
- Expense monitoring and advice
- Unlimited 5 key expenses
- Monthly management review with commentary
- Monthly management review without commentary
- Basic management reporting every quarter
- Written commentary monthly based on customised practice-based goals
- Quarterly online ('virtual') business review meeting
- Unlimited email and telephone support

Fees

Fixed monthly fees apply to this type of service. See our Proposal for our packages. If additional work is required outside the above scope, then we ask it to be outlined in an email before commencement of the work. Standard hourly rates apply for this work no fixed fee arrangement applies.

Annual Accounting

- 48-hour accounts entering management data at your fingertips
- Advance preparation
- Critical checks and balances
- Preparation of your fully compliant statutory annual accounts

- Annual accounts guaranteed to be completed (from year-end) in: 12 weeks 16 weeks 20 weeks
- Preparation of your business tax computations and returns
- Professional Fee Protection
- Accounting Records Quality report
- Post year-end annual accounts finalisation meeting
- Budget updates
- Unlimited free ad hoc advice
- Dedicated Client Manager
- Comprehensive pre-year-end tax planning
- Cash reconciliation report
- Quarterly business strategy meetings
- Beyond the statutory accounts
- Annual 5-year trend analysis report
- Annual profit improvement planning meeting
- Annual review of your goals
- Preferential pricing on select services
- Monthly payment of our fees making it easier for you to budget

You are responsible for approving and paying all transactions we do not take any responsibility for any errors or omissions.

Fees

Fixed monthly fees apply to this type of service. See our Proposal for our packages. If additional work is required outside the above scope, then we ask it to be outlined in an email before commencement of the work. Standard hourly rates apply for this work no fixed fee arrangement applies.

3.1.6 Payroll Services provided on a periodic e.g. weekly, fortnightly or monthly basis include

- Receipt of Payroll information in relation to employees;
- Preparation of payroll as provided we have assumed timesheets submitted are correct for processing;
- Entering payroll information into the accounting system;
- Preparation of payroll including determination withholding obligations, deductions and entitlements;
- Processing employees' superannuation obligations including Reportable Employer Superannuation Contributions;
- Produce payroll reports detailing employee payments;
- Coordination of all associated payroll requirements including but not restricted to superannuation levies, payroll tax, FBT management and production of group certificates;
- Attending to pay queries.

You are responsible for approving and paying all transactions we do not take any responsibility for any errors or omissions.

Fees

Fixed monthly fees apply to this type of service. See our Proposal for our packages. If additional work is required outside the above scope, then we ask it to be outlined in an email before commencement of the work. Standard hourly rates apply for this work no fixed fee arrangement applies.

3.1.7 Providers Service Fee Percentage Payroll Services provided on a periodic e.g. weekly, Accounting System ‘Clean Up and Set Up’ (once off) includes:

Clean up and set up of accounting and order processing system in order to establish the scope of work for ongoing accounting and order processing services and related costs, including:

- Meeting with your personnel either face to face or video conference;
- Liaising with software vendors to answer your functionality queries;
- Software installation such as Xero
- Creating clearing trust account data, entering chart of accounts, setting up codes;
- Doctors Pay Calculator software registering doctors and pay information and percentages;
- Coding of transactions in relation to GST and entering this information into Xero accounting software;
- Setting up or designing your Tax Invoice and/or Adjustment Note Template Licences that to raise sales or credit invoices for your providers;
- Setting up provider service agreement library, GST status, incentives, consumables, calculation sheets and coding;
- Researching and integrating with appropriate software if applicable.
- Creating accounting classifications, department and project codes;
- Finalising work flows for accounting and order processing systems and allocating roles;
- Ensure bank feeds are set up correctly;
- Testing accounting system.

Fees

Standard hourly rates apply for this work no fixed fee arrangement applies.

3.1.8 Providers Service Fee Percentage Payroll Services provided on a periodic e.g. weekly, fortnightly or monthly basis includes:

- Registering new providers and logging in current and signed service agreements;
- Receipt of Payroll information in relation to providers;
- Preparation of payroll as provided we have assumed billings receipts reports submitted are correct for processing;
- Entering provider information into the accounting system;
- coding of bank feeds

- Coding of gross billing reports;
- Coding of direct deposits;
- Reconciliation of unidentified transactions and allocation to provider loan accounts;
- Calculation of services fees based on multiple service rates and incentives;
- Preparation of payroll including determination GST, obligations, deductions and leasing incentives;
- Produce provider Tax Invoice, Income Tax, BAS Extract reports detailing employee payments;
- Reconcile services fees to service entity and to bank;
- Coordination of all associated pay requirements including but not restricted emailing periodic pay statements and calculations, quarterly and annual production of statements;
- Report providers that have no signed service agreement;
- Attending to pay queries.

Note due to Medicare two-week timing payment differences will exist in accounts. Certain software billing programs such as Best Practice, Genie and other vendors do not accurately report gross receipts. Accordingly, there will be errors in report. All PDF audit trails will be kept and will be the basis of any calculations and payments and not the live billings report. We will not seek to address this issue as it is outside our scope.

This service is not available unless current and signed service agreements are in place in a PDF copy.

Fees

Fixed monthly fees apply to this type of service. See our Proposal for our packages. If additional work is required outside the above scope, then we ask it to be outlined in an email before commencement of the work. Standard hourly rates apply for this work no fixed fee arrangement applies.

General

Clients' rights and obligations under the taxation laws

Do we have to do all this work?

As a client of this practice, we are obliged to advise you of your rights and obligations under the taxation laws in relation to the services we provide to you. Set out below is a brief explanation of the main areas of the taxation system you should be aware of. If you have any concerns or issues with any of matters discussed below, please feel free to contact us.

The self-assessment system

The Australian tax system operates as a self-assessment system. This means that when your tax return, FBT return or BAS is lodged the ATO accepts the information in the return at face-value and issues you with an assessment notice based on that information. It is important to

understand that this does not mean the assessment is final as the ATO can conduct a review or audit of the information provided in the return at a later time, subject to the time limits discussed in the topic below.

The Commissioner's ability to amend an assessment

As explained above, the ATO accepts the information lodged in your return at face value. However, the ATO also has the power to amend the assessment if they find it to be incorrect. The following rules generally apply:

Individuals

- For most individuals, the ATO can amend an assessment within two years after you receive your notice of assessment. If the individual carries on a business and is **not** a Small Business Entity, that period extends to four years.
- If the individual is a partner in a partnership or a beneficiary of a trust, the period is two years. If the partnership or trust carries on business and is **not** a Small Business Entity, the period extends to four years.

Companies

- The ATO can amend a company assessment within two years after the company receives a notice of assessment where the company **is** a Small Business Entity. The same period applies where the company is a partner in a partnership or beneficiary of a trust that is a Small Business Entity.
- In any other case, the period is four years.

Trustees

- The ATO can amend an assessment within two years after the trustee receives the notice of assessment if the trust **is** a Small Business Entity.
- If the trustee is a partner in a partnership or a beneficiary of a trust that is **not** a Small Business Entity, that period extends to four years.
- In any other case, the period is four years.

If the ATO amend an assessment this will potentially involve, apart from increased taxes, penalties and interest. If you discover an error in the information declared in the return, lower penalties generally apply for making a voluntary disclosure.

Note: There are no time limits on the ATO amending an assessment where they believe there has been fraud or evasion. Obligation to keep records

The tax laws specifically require taxpayers to keep records that properly explain the transaction they have entered into.

Individuals

Individuals claiming deductions for work-related expenses are subject to the Substantiation rules in the tax laws. This requires taxpayers to keep receipts, invoices etc, of the expenses they incur. Where the expenses relate to a taxpayer travelling interstate or overseas, a travel diary may also need to be kept. Where the expense relates to a motor vehicle, a record of the journeys taken such as a log book may need to be kept.

A failure to keep the appropriate records can lead to the ATO denying a particular deduction which may involve the imposition of penalties and interest. Substantiation records must be retained for five years.

Businesses

The tax laws specifically require a taxpayer that carries on business to keep records that record and explain all the transactions they have entered into. This includes all the documents that explain how the income and expenditure of the taxpayer was determined.

Where the tax laws allow or require a taxpayer to make a choice, election, estimate or calculation, documents containing particulars of these matters must be kept.

All these records must be retained for a period of five years. There are penalties for taxpayers who fail to do so.

Obligation to provide complete and accurate records

In order for our practice to be able to lodge returns on your behalf, it is your responsibility to provide us with complete and accurate records. Further, in order to lodge your return on time we will require you to provide us the relevant information as and when requested.

Where you are unable to provide us with complete and accurate records, we may be unable to prepare and lodge your return. Tax agents are subject to a Professional Code of Conduct which prevents them from acting for a client where insufficient records or information exists so as to be able determine the amount of the client's income or deductions.

Records for clients operating in the cash economy

Because of the ATO's concerns with dealings in the cash economy, there are particular recording imperatives for clients who operate in that sector. In particular, the ATO has a program of "benchmarking" standardised revenue returns for a wide range of cash businesses.

In circumstances where it is dissatisfied with a taxpayer's records or recording systems, the ATO will often assess income tax and/or GST on what it considers to be an appropriate "benchmark" amount (plus penalties and interest) and then put the taxpayer to the task of disproving that assessment.

Where that occurs, the taxpayer is at a serious disadvantage and can be put to a great deal of cost and effort in disputing the assessment.

Taxpayers who operate in the cash economy are therefore urged to have a robust and reliable system for recording and reporting all cash transactions and to ensure that the recorded figures are accurate.

If you need assistance in setting up or reviewing your recording and reporting systems, we will be happy to do so and will advise you of our rates for doing so on request.

Right to seek a Private Binding Ruling

When preparing your return, we may identify one or more issues that are not clear under the tax laws. Where we have pointed out such issues to you, you have a right to request a Private Binding Ruling from the ATO. Upon providing the ATO with all the relevant facts, they will provide you with a ruling setting out their view on the proper tax treatment of the issue requested to be ruled upon.

Objecting to an assessment

If the ATO issues you with an assessment that you do not agree with, you have the right to lodge an objection to that assessment. The objection must be lodged with the ATO within either two or four years. As to which period applies, this is determined in the same way as the discussion above under the heading '*Commissioner's ability to amend an assessment*'.

Where the ATO issues an amended assessment, the period for objecting is the greater of:

- 60 days from the time the amended assessment is received; or
- two or four years (whichever is applicable) from the time the original assessment was received.

If you remain dissatisfied with the outcome of the objection, you have the right to have the matter reviewed by the Administrative Appeals Tribunal or to appeal the matter to the Federal Court.

Onus of proof falls on the taxpayer

It is important to be aware that in any disputed assessment before the court or the Administrative Appeals Tribunal, the onus of proof is placed on the *taxpayer*. In other words, if the Commissioner asserts that your income should include a certain amount or that a deduction claimed in a return is not allowed, it will be up to you to establish that the Commissioner's view is incorrect.

Your protections under TASA

The *Tax Agent Services Act 2009* (TASA) and complimentary amendments to the applicable taxation administration legislation provide statutory protections for taxpayers who engage registered tax agents.

In particular, as your tax agent we are bound by a statutory Code of Conduct which is administered by a new national Tax Practitioners Board. That Code requires us, amongst other things, to act lawfully in your best interests and with honesty and integrity in the performance of our duties.

In addition, as the client of a registered tax agent, you have statutory “safe harbour” exemptions from penalties in certain circumstances.

When did the new safe harbour provisions commence?

The ‘safe harbour’ can only apply for returns lodged on or after 1 March 2010.

How does the new safe harbour work?

In order to benefit from the ‘safe harbour’ should the need arise, it is a requirement for you to ensure that you provide us with all of the relevant tax information. This includes any records, or documents we request from you plus any other information relevant to the preparation of your tax return. The information provided must be complete and accurate.

It is equally important that you provide us with this information by the time it is requested so as to allow the return by its due date. The safe harbour from late lodgement penalties can also apply where a Business Activity Statement, Instalment Activity Statement, or Fringe Benefits Tax return is lodged late.

What does the new safe harbour apply to?

Whilst the safe harbour can apply to exempt the penalty for an error made in a tax return, it is important to note that the tax and interest will be still be payable.

What if the safe harbour does not apply?

Even if you are not eligible for the safe harbour, it is still possible to request the ATO remit or reduce the penalty.

Appendix 3.4 Products and Template Licences (Doctors Pay Calculator Software, Practice Template Licences and Incorporation of Companies and Trustee Deeds).

For any products such as software and practice template licences below for establishing a new structure or restructuring an existing structure and fixed fee professional services. For all legal template licences below, *they exclude scheduling (i.e. ensuring the corrects names, entity details and accounting information, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document. We are not lawyers. See below for further information on when and how to use a legal adviser see [Appendix 4.2](#) Products and Template Licences for full pricing list.*

Software Programs

1. [Doctors Pay Calculator Software](#)

This exclusive software program is used to calculate providers pay calculations based on a percentage of gross receipts. The program helps you prepare Tax Invoices, BAS Extract Summaries and Annual Tax Returns. It is like a payslip for self-employed practitioners. This provides a competitive edge over practice who are not using it.

See our Website for more information [Doctors Pay Calculator Software](#)

2. [Employment Package Kit](#) – Modernised Awards

Employment package documents for Doctors, Practice Managers, Nurses, Office Manager, Business Development Manager & Reception Staff including confidentiality, Occupational Health & Safety statements, Medical Practitioners Award 2010, Nurses Award 2010, Health Professionals & Support Services Award 2010 and Miscellaneous Award 2010. Please note that Health & Life preparation time is not included in this price.

See our Website for more information [Employment Package Kit](#)

3. [Service Agreement](#) Template Licences

The Service Agreement outlines the working relationship that exists between the Practitioner and the Service Entity. For example, paying providers a percentage of their gross fees.

See our Website for more information [Service Agreement](#) Template Licences.

4. [Practice Asset Sale](#) Agreement Template Licence

A Practice Asset Sale Agreement Template Licence works as an advocate to the asset sale purchase process of a practice. Standard hourly rates apply for amendments.

See our Website for more information [Practice Asset Sale](#) Agreement Template Licence

5. [Unitholders Sale Purchase Agreement](#) Template Licence

A unitholders sale and purchase of practice agreement template licence works as an advocate to the sale purchase process. Standard hourly rates apply for amendments.

See our Website for more information [Unitholders Sale Purchase Agreement](#) Template Licence

6. [Practice Agreement](#) Template Licence

The Practice Agreement outlines the working relationship that exists between each individual Equity Associate, the Beneficiaries of the Trust and the Service Entity.

See our Website for more information see [Practice Agreement](#) Template Licence

Incorporations – Entity Establishment Cost (Set-up Cost)

7. Establishment of Discretionary Unit (Service Trust) & Corporate Trustee

Establishment of Property Trust including Property Trust Deeds and Property Trust Register. Incorporation of Corporate Trustee, which includes Australian Securities & Investments Commission fees for the incorporation, Company register which includes the Memorandum & Articles of Association and all other corporate secretarial documentation including printing and stamping. There is no charge for the Trust Deed. Please note that Health & Life preparation time is not included in this price. This includes one company i.e., corporate trustee. See Proposed Legal and Tax Structure.

8. Establishment of Discretionary Trust (Family Trust)

Establishment of a Family Trust including Family Trust Deeds and Family Trust Register including printing and stamping. There is no charge for the Trust Deed. Please note that Health & Life preparation time is not included in this price. This includes two companies i.e. corporate appointor and corporate trustee. See Proposed Legal and Tax Structure.

APPENDIX 4 FEES

Appendix 4.1 – Fees – Accounting, Tax and Consulting Standard Hourly Rates

Where applicable, we understand that an audit of the Financial Accounts is not required, and therefore we will not be expressing an opinion as to the truth and fairness of those statements. However, we will inform you of any such matters that come to our attention.

To help us prepare your Financial Accounts and Income Tax Returns, we will provide you with an end of year checklist which will need to be completed in full to avoid unnecessary fees and delays.

POLICY ON SETTING FEES AND PROPOSED FEE STRUCTURE

Health and Life sets its proposed fee structure based on the client's best interests and the anticipated value to the client. Our fee structure also takes into account the unique expertise and service capabilities Health and Life can and does provide you. We believe very few other firms can match Health and Life's medical, dental or allied health practice expertise.

Our fees, which will be billed at our standard hourly rate as work progresses, are based on the time necessarily spent by those members and employees of Health and Life assigned to the engagement plus direct out-of-pocket expenses. Upfront payment is required for all template licence contracts and software should you request for these services or products. No refund is permitted if we are not at fault. All template licence agreements, for example service agreements, are charged on the number of doctors working in the practice. For fixed fee agreements a monthly fee must be paid otherwise standard consulting rates apply. No copyright is transferred to the Practice. However, we will give you an estimate of our fee before we begin any work on these services, should you request such an estimate. Please note that these quotes are valid for 30 days and are subject to variation after this time.

Professional Fees – specifies the maximum hourly charge rate that will apply for all work performed. These fees are subject to annual review.

In determining the amount to be charged for our professional services, we consider the following:

- The time and effort required, based on our standard hourly rates.
- Time constraints that may be imposed on us.
- The experience, reputation, out-of-pocket costs, and expertise of our professional staff.

We will make every attempt to keep your costs to a minimum, but keep in mind these services can help to enhance the revenue stream of your medical, dental or allied health practice. We estimate that full practice restructuring takes approximately 18 months.

We would therefore like to re-emphasize this very important point about our fee structure. Most of the services we will perform for you are revenue enhancement and cash/risk containment in structure and are not solely based on compliance issues. As such, we hope to enhance and expand the revenue and net income of your practice. For example, if debt collection problems can be detected and solved, fees adjusted through ongoing monitoring, and receivables minimised through strong operational controls then additional revenues should flow through to the practice. These are the things that bring value to our services and will be billed accordingly. Many times, the expanded revenues not only cover the fees you will pay for our services in a given year, but will also cover future fees as well.

Please see our website on how to keep your fees down – click here: [How To Keep Your Fees Down](#) and also see [Appendix 5](#): How to minimise your accounting and consulting fees.

FEES

Our fees are based on the time required by the individuals assigned to the engagement plus direct out-of-pocket expenses. Any fee increases will be clearly indicated in your periodic invoices as per the terms and conditions in this agreement and on our website: [see terms of engagement](#). The firm will render regular interim accounts. Often this will be fortnightly or monthly, after rendering advice or at the closure of a specific task.

Basis for Calculating Fees

The hourly basis on which our consulting and accounting costs will be calculated will be based on preparation, reading, conferences, telephone calls, correspondence, drafting, research, preparation of annual Financial Statements and Tax Office Returns. This includes and is not limited to any other relevant support you require such as attending health industry conferences, research and preparation of advice to assist your practice. Our rates are reviewed at 1 February each year and are likely to increase from year to year at our discretion. Our terms and conditions may change from time to time at our discretion. The most current terms and conditions can be viewed on our website or can be requested by you at any time in writing.

Estimate of Fees

In Consulting and Accounting matters it is impossible to provide any realistic estimate of fees at the commencement of obtaining instructions. An estimate of our fees for a particular task or series of tasks may be requested by you at any time in writing. An estimate is not a quote and shall not be construed as a quote. The fees that we charge will be by reference to the actual amount of time taken to carry out the work we are instructed to do. This excludes any products, which are billed on a non-labour basis e.g. template licences and software. Please refer to [Appendix 5](#): Minimising your Accounting and Consulting Fees for more information, and if you still have any questions please do not hesitate to call our office on 1800 077 222 or (08) 8415 5400 or by email at pa@healthandlife.com.au.

Monthly Accounting and Management Fees – why do you receive two bills a month?

Depending on the package you select, there are two types of fees that we charge each month. The first type that you would be familiar with is an Accounting Fee. This fee is for the annual and periodic preparation of Business Activity Statements, Instalment Activity Statements and annual Statutory Financial Statements. This is the normal fee that a traditional accountant would charge for a similar type of service.

A Management Fee, which is also issued out monthly, is a discretionary fee. This is charged for non-traditional accounting services such as practice advice, products (i.e. Practice Agreements, Service Agreements and Software Maintenance Agreements), human resource advice or any other service you require on a needs basis. Typically, this type of work is performed by your Practice Manager or CEO and depending on the nature and extent of their skills and expertise and employment terms within your practice, this service is supplementary feature in order to assist you in running your practice more efficiently and effectively.

Usually after the first 18 months of restructuring, this fee should begin to significantly reduce as our recommended systems and training begin to take effect. These results can be generated earlier based on the competency of your practice staff. Accordingly, we use this Management invoice like a speeding ticket to give you feedback on how you are travelling. We encourage you to reduce our fees as soon as possible. It may be a great opportunity to share some of these savings from our Management Fees with your Practice staff. Clearly there will be times when we engage in special projects either locally or overseas, at your request, which may be 'once-off' or beyond the existing capabilities of your practice. Each year we will clearly disclose this information in your financial statements.

ACCOUNTING, TAXATION AND CONSULTING SERVICES See [Appendix 3.1](#)

Practices that elect to use our annual accounting services will be offered the discounted rate. Kindly indicate below for this discounted fee. Standard rates will apply where there has been no indication.

FIXED QUOTES AND PRODUCTS see [Appendix 3.2](#)

Where required, we will provide you with a quote of our fee before we begin any work however a 30% deposit will be due upfront and on completion of each step. Payment will be due under our normal terms of payment. Upfront payment is required for all template licence contracts and software should you request these services or products. All template licence agreements, for example service agreements, are charged on the number of doctors working in the practice. No copyright is transferred to the practice for these documents. If legal agreements require significant variations our standard hourly rates will apply which may include external legal costs.

FIXED MONTHLY FEE SERVICES See [Appendix 3.3](#)

Unless otherwise expressly agreed with you in writing, our professional fees are charged at hourly rates, using e.g., six-minute increments. There is no charge for the first 5 minutes of a new matter unless otherwise agreed. Those rates:

(a) are as follows:

Professional Fees – Standard Hourly Rates

No Rates ²	Rate per Hour Accounting ^{1,2,3,4}	Rate per Hour Consulting ¹
1 Principal (see below for lower rates for accounting clients)	\$280	\$380
2 Manager or Business Development Consultant – includes Industrial Relations Specialist, Human Resource Specialist and Management Accountant, Practice Advisor	\$240	\$250
3 Accounting Consultants, Senior Accountants, Field Assistant, Practice Advisor	\$190	\$230
4 Administration Support	\$80	\$120

Note 1 Please note that all are GST exclusive. In accordance with the Goods and Services Tax Act (1999) from 1 July 2000 you will be liable for a GST and the appropriate amount will be added to your monthly statement.

Note 2 Please note that these quotes are valid for 30 days and are subject to variation after this time.

Note 3 These rates apply to consulting clients only, not accounting clients who has indicated of the Service Agreement. For accounting clients, Item 4 rates apply for Item 3 services.

Note 4 In order to take advantage of the lower accounting rate, for all consulting and accounting work, we must complete one annual tax return and financial statement for the Practice. For insurance purposes, we can only offer this lower fee to annual and accounting and taxation clients so that we can demonstrate continuity of service. If you do not comply with this requirement, we reserve the right to retrospectively charge the higher consultancy fees for all products and services as stated above.

The above rates may vary from time to time.

GST – professional fees

Our professional fees are inclusive of Goods and Services Tax (“GST”). If the services, we are providing are provided to your business then you may be able to claim a GST input tax credit for the GST you pay us. However, this will not be the case if the services we provide are used by you in creating an input taxed supply. In this situation, you cannot claim the GST associated with our professional fees 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.

GST – 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, namely:

- 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 entitled to claim the input tax credits directly if you have an ABN and are entitled to claim 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 (couriers, searches, photocopying etc) the treatment will be the same as for professional fees – this firm will incur the costs at first instance and invoice them on 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.

Subject to any agency arrangements for GST discussed below under the heading “**GST – Disbursements**”, disbursements properly incurred from external suppliers (couriers, ASIC fees, other Government fees etc.) will be charged to you at cost plus GST. Internal charges for services provided by our firm or its associated entities will be billed in the same manner as external disbursements. Internal charges apply for the following services at the following rates:

Service	\$ (inc GST)
Company search	at cost
Business name search	at cost
Other on-line search	at cost
Photocopying (per page)	Nil
Faxes (per page)	Nil
Sundry Expenses at Cost (e.g. stationary, postage etc.)	at cost

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.

Each client in the Group is jointly and severally liable to pay our fees in respect of all work performed for all members of the Group.

Appendix 4.2 – Products and Template Licences

For any products such as software and practice template licences below for establishing a new structure or restructuring an existing structure and fixed fee professional services (all prices are exclusive of GST)

Software Programs

	1-5 users	6-10 users	11-15 users
<u>Doctors Pay Calculator Software</u> – Accounting Clients only	\$380	\$590	\$695

Licence Fee for Doctors Pay Calculator includes telephone installation support. Excludes training. Data set up fee – our standard consulting rates apply. It is recommended we set up and do the first months' pay. The Doctors Pay Calculator software fee excludes Installation, Training, preparation time & GST. Our standard hourly rates apply installation, training & preparation time.

	1-5 users	6-10 users	11-15 users
<u>Doctors Pay Calculator</u> Annual Licence Fee – Consulting Clients only	\$600	\$800	\$1200

15+ Separate quote

Licence Fee for Doctors Pay Calculator includes telephone installation support. Excludes training. Data set up fee – our standard consulting rates apply. It is recommended we set up and do the first months' pay. The Doctors Pay Calculator software fee excludes Installation, Training, preparation time & GST. Our standard hourly rates apply installation, training & preparation time.

	1-5 users	6-10 users	11-15 users
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	\$225	\$330	\$450
<u>Doctors Pay Calculator Software</u> – Accounting Clients Only			
<i>Annual Licence Fee – based on users Annual Licence Fee.</i>			

	1-5 users	6-10 users	11-15 users
	\$480	\$790	\$895
<u>Doctors Pay Calculator</u> Annual Licence Fee – Consulting Clients Only			
<i>Annual Licence Fee – based on users Annual Licence Fee.</i>			

Practice Agreement Template Licence

Acc Clients	Consult Clients
\$0	\$0

Unitholders Sale Purchase Agreement Template Licence

A unitholders sale purchase agreement template licence works as an advocate to the sale purchase process. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price.

<u>Employment Package Kit</u> – Modernised Awards	Acc Clients	Consult Clients
	Template	Template
	Licence Fee	Licence Fee
	ex gst	ex gst
1-5 Employees	\$550	\$660
6-10 Employees	\$660	\$770
11+	\$770	\$880

Employment package documents for Doctors, Practice Managers, Nurses, Office Manager, Business Development Manager & Reception Staff including confidentiality, Occupational Health & Safety statements, Medical Practitioners Award 2010, Nurses Award 2010, Health Professionals & Support Services Award 2010 and Miscellaneous Award 2010. Please note that Health & Life preparation time is not included in this price.

Template Licence Chart of Accounts	Acc \$550	Con \$850
<i>Template Licence Chart of accounts for a Billings Trust and Service Trust. Standard hourly rates apply for tailoring. (Excluding payroll set up) Please note that Health & Life preparation time is not included in this price.</i>		

<u>Practice Agreement</u> Template Licence	Acc \$0	Con \$0
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The Practice Agreement outlines the working relationship that exists between each individual Equity Associate, the Beneficiaries of the Trust and the Service Entity. Please note that Health & Life preparation time is not included in this price. *Price depends on number of Full Time Equivalent doctors. Standard hourly rates apply for providing instructions to lawyers for amendments.

Practice Asset Sale Agreement Template Licence Acc \$0 Con \$0

A Practice Asset Sale Agreement Template Licence works as an advocate to the asset sale purchase process. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price.

	Initial Template Licence	Additional Template Licences
<u>Service Agreement</u> Template Licences – Consulting Clients Only	\$1,000	\$350 (per additional provider)

The Service Agreement outlines the working relationship that exists between the Practitioner and the Service Entity. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price.

	Initial Template Licence	Additional Template Licences
<u>Service Agreement</u> Template Licences – Accounting Clients Only	\$850	\$250 (per additional provider)

The Service Agreement outlines the working relationship that exists between the Practitioner and the Service Entity. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price.

<u>Leasing Proforma</u> Template Licence (Health Insurance Commission Friendly)	Acc Clients	Consult Clients
Head Lease	Acc \$1,500	Con \$2,200
Sub Lease	Acc \$1,500	Con \$2,200

These are template licence head lease and sub-lease property agreements that are essential to ensuring that you have covered key financial terms with your tenants. Banks require proof that legal and binding agreements are in existence before approving significant practice redevelopment programs. It is important that the head leasing and sub leasing business models are clear and consistent with the investment and lending requirements in order to protect the value of the practice and property entities that may be the subject to a due diligence process. This reduces duplication. Local lawyers will be required to be employed to ensure that the leases are registered and meet local planning laws and general compliance. We recommend

Lawyers who have worked with these agreements to minimize any duplication and ensure a timely response to the execution of the documents.

**Excludes scheduling, standard consulting rates apply in order to assist in the preparation of instructions for a lawyer to execute the final document. See below for further information on when to use a legal adviser.*

Incorporations – Entity Establishment Cost (Set-up Cost)

Reimbursements – Out of pocket costs. These are provided at cost; we do not profit on the establishment of these entities.

Establishment of Discretionary Unit (Service Trust) & Corporate Trustee

Acc \$819
Con \$2,100

Establishment of Service Trust including Service Trust Deeds and Service Trust Register. Incorporation of Corporate Trustee, which includes Australian Securities & Investments Commission fees for the incorporation, Company register which includes the Memorandum & Articles of Association and all other corporate secretarial documentation including printing and stamping. There is no charge for the Trust Deed. Please note that Health & Life preparation time is not included in this price. This includes one company i.e. corporate trustee. See Proposed Legal and Tax Structure.

Establishment of Fixed Unit Trust (Property Trust) & Corporate Trustee

Acc \$819
Con \$2,100

Establishment of Property Trust including Property Trust Deeds and Property Trust Register. Incorporation of Corporate Trustee, which includes Australian Securities & Investments Commission fees for the incorporation, Company register which includes the Memorandum & Articles of Association and all other corporate secretarial documentation including printing and stamping. There is no charge for the Trust Deed. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price. This includes one company i.e. corporate trustee. See Proposed Legal and Tax Structure.

Establishment of Discretionary Trust (Family Trust)

Acc \$1,128
Con \$2,300

Establishment of a Family Trust including Family Trust Deeds and Family Trust Register including printing and stamping. There is no charge for the Trust Deed. Standard hourly rates apply for providing instructions to lawyers for amendments. Please note that Health & Life preparation time is not included in this price. This includes two companies i.e. corporate appointor and corporate trustee. See Proposed Legal and Tax Structure in the [Standard Articles](#).

	Verbal	Written Report
Optimal Business Structure and Taxation Report	\$1,100	\$3,100

*This report assesses the appropriateness of the current structure from a medico legal and taxation purposes. Key areas identify malpractice risks and a tax and accounting compliance saving opportunities. Practices are required to send in all legal and accounting documentation for review and it includes an untimed teleconference debrief. Please note that Health & Life preparation time is not included in this price. *Prices depend on complexity and whether a written report is required*

Good, Bad, Ugly Report Acc \$3,000 – \$5,000 Con \$7,000

This reports assess your practice to Best Practice in Australia and provides recommendations for improving the efficiency and productivity of your practice. We review staff productivity, practice profitability, compare practice financial performance to our 25+ year unique and exclusive national benchmark series. We also assess government grants if you are obtaining the same level of government grants as other similar typed practices have achieved.

**Price depends on the complexity*

Practice Valuations

Option A: Basic Valuation – rely only on Vendor representations Acc \$4,100 Con \$5,000

Option B: Detailed Valuation – includes Due Diligence Investigation (plus costs) Acc \$6,000 Con \$7,500

The Valuation Document depending which option is elected covers the following: Practice Valuation, Legal and Tax Structure Explanation, Practice SWOT Analysis for Valuation Purposes, Taxation Benefits, Future Profit Projections, Hip Pocket Financial Return to Investor after tax and Vendor or Finance Options (if applicable)

Estimate Fees for Annual Tax & Statutory Accounts Preparation

This is an example of a sole trader using our Proposed Legal and Tax Structure. See Proposed Legal and Tax Structure in the [Standard Articles](#).

Entity Type	Number of Providers	Xero Per Annum Estimate*	Non-Xero Per Annum Estimate*
Business/Practice			
Medical Partnership (per employee)	1	\$3,500	\$4,200
Billing’s Trust Account (separate data file)	1	\$150	\$180
Service Trust	1	\$6,700	\$8,040
Property Trust (per owner)	1	\$4,250	\$5,100

	Number of non-investment transactions per month	Xero Per Annum Estimate*	Non-Xero Per Annum Estimate*
Individual			
Family Trust with low activity – less than or equal to 10 transactions per month.	10	\$2,250	\$2,700
Company- Corporate Beneficiary (low activity)	10	\$2,250	\$2,700
Individual Sole Trader (depending on complexity)	10	\$4,250	\$5,100
Individual Return (per individual, depending on complexity)		\$1,000	\$1,200

In this example, this is how we calculate a fixed for a single owner doctor with a low transaction volume. Our proposal will detail a more accurate quote based on the size and nature of your own practice. It illustrates the lower cost of using Xero.

***Notes**

1. This quote will hold for 30 days only applies to new entities and not existing entities. Normally your existing accountant would complete and wind up these accounts. If they do not wish to, we would need to separately quote if we are required to complete these accounts. This is not our preferred position as we cannot accept responsibility for the outgoing accountant’s work.
2. Please note that annual fees will vary depending on the number of transactions and activity. Depending on individual circumstances in addition to significantly better asset protection estimated annual tax savings can vary from \$10,000 p.a. up to \$22,000 p.a., if you are earning in excess of \$200,000 p.a. Please see attached Falling Faith article. Please discuss this with your adviser or Health and Life (this is included in the quote) before proceeding.
3. Our fees can be reduced if the client does their own bookkeeping where Health and Life have set up and trained correctly the bookkeeper in keeping timely and accurate accounts. This fee is charge at our standard hourly rates and will depend on the experience and quality of the bookkeeper’s work. Like operating on a baby or an adult, the costs are the same, so it is hard to keep our fees any lower without compromising the quality of the work performed. This assumes the practice uses Xero. Non-Xero users attract up to a 20-30% increase in cost as more costs are incurred in sourcing data files and data. This excludes one-off, non-recurring costs, e.g. restructuring, purchase of new assets, investments and related loan activity. This additional activity is charged and billed at our standard hourly rates in a separate management fee invoice. These fees will normally be applied after the first financial year, after all, testing and validation are complete.

APPENDIX 5 MINIMISING YOUR ACCOUNTING AND CONSULTING FEES

Our aim is to create a professional, happy and friendly working relationship which gives us the opportunity to provide you with the best possible service at a reasonable fee.

Firstly, it may help if you understood the process which is undertaken by the team here at Health & Life to complete your job. Below are some commonly asked questions:

QUESTION: HOW DO ACCOUNTANTS CHARGE?

ANSWER: All Accountants and Consultants charge by time. The longer it takes to prepare your return, the dearer it is going to be. Some businesses sell hamburgers, Real Estate Agents get paid commissions, and ACCOUNTANTS and CONSULTANTS sell TIME. The more presentable you submit your accounts or your consulting requirements, the quicker we get it done and the more cost effective it is. We only have 7.5 hours per day to sell and we would not be in business if we gave our product away.

QUESTION: CAN YOU GIVE ME A QUOTE FOR THE JOB?

ANSWER: Just like it is impossible to quote a building job over the phone without looking at the plans or value jewellery over the phone, it's not possible to know how long any accounting or consulting work might take.

Two sets of books for the same business can take twice as long for one set as for the other depending on how the books are presented. Please work with your Client Consulting Accountant to try to minimise the time and hence the cost. Ask your Consulting Accountant for a more efficient way of presenting your books or information to us. The more you do, the less it will cost. Make sure everything is there. Should the Consulting Accountant pick up and put down your work waiting for missing information the more it will cost and the longer it will take.

QUESTION: WHY IS MY BILL SO MUCH MORE THIS YEAR THAN LAST YEAR?

ANSWER: Basically, four reasons

1. There is a lot more work this year. Example: could be an extra lease or turnover/activity has gone up, extra things you required us to do. Changes in law, sale or purchase of a business, or purchase of a new investment property.
2. Increase in our charge out rates as our labour costs are going up every year.
3. Due to missing information. If the information is missing your Consulting Accountant will leave the job, pick up a new job and won't come back until the newly picked up job is complete. The more often a job is put down and picked up the more time is added to the job.

4. Staff competency. Your Consulting Accountant will more often than not provide you with techniques to cross-check your own work. If these techniques are strictly adhered to, then there is less chance of error in the work you have prepared and therefore less time investigating errors.

It is in our interest to complete the job quickly so we can get onto completing the next job. We earn the same amount of money and have a lot more happy clients. Please note that we provide a line by line description of work done. If there are any concerns, only pay the component you are satisfied with and contact us about your concerns in writing.

QUESTION: THE MYOB / QUICKBOOK/ XERO SALESMAN SAID THAT THE SOFTWARE SHOULD REDUCE MY ACCOUNTING COSTS BUT IT'S ACTUALLY DOUBLED? (IN SOME CASES TRIPLED).

ANSWER: Basically garbage in, garbage out. It takes much longer to sort out the garbage. The most frustrating thing (and every Accountant says the same thing) is when a client gives you a year's computer printouts (after spending hours getting it to this stage) and we have to spend hours and hours sorting out the mess. Efficient computerisation of your accounts depends solely on the operator. If the operator is good, then it would definitely reduce time. However, if the operator is not good then it takes a lot more time and we need to use a more qualified (higher cost) Consulting Accountant to try and sort out the mess. The quality of the operator depends on the level of training he/she has undertaken. Usually the cheaper the software package, the higher the training required. Skimping on training means higher accountancy fees required to correct the mess. If the operator is not good, then it's much more cost effective to use a simple manual cashbook system (or simply supply cheque butts & bank statements). We can use a more junior staff member to process it at a lower charge-out rate saving you money. Please speak to your Consulting Accountant about the right software package for your business. Don't take advice from a software salesman. Your Consulting Accountant is the best person to assess your accounting software requirements.

QUESTION: YOU'RE MY ACCOUNTANT WHY IS MY CONSULTING ACCOUNTANT PREPARING MY FINANCIAL STATEMENTS?

ANSWER: It's more economical to you. It's silly to use a lawyer to collect your debts, when your receptionist can do it at a much lower cost. The lawyer cannot do it any better than a receptionist. It's an over kill to have a lawyer do it. THE PARTNER OF HEALTH & LIFE HAS THEIR OWN PERSONAL FINANCIAL STATEMENTS PREPARED BY OUR TEAM.

Don't forget the Consulting Accountant are doing this daily and when you do something daily one becomes very quick and efficient at the task.

All of our team have University Degrees or are in the process of attaining one, and some are ICAA's or CPA's. They undergo over 60 hours per annum of CPE (Continuous Professional Education).

There has been some confusion recently about the role of your Consulting Accountant. He / she will handle your day to day needs including preparation of Financial Statements or any

other consulting matters arising. They may or may not have the experience to answer investment, strategic, structural, tax planning questions. That is NOT their role. The partners look after answers to those questions. You may like to direct your questions in the first instance to your Consulting Accountant. If they are unsure of the answer, they will either find out or the relevant partner will call you back with the answer. All members of our staff have been trained not to provide advice outside their scope of duties and/or professional experience.

However, if you are unhappy with your new or old Consulting Accountant please, by all means, notify David and we will move you to another person. It's difficult to match people perfectly and we can get it wrong sometimes. So, speak out if you are unhappy with anything at all and we will try to correct it.

If you are unsure of an answer given to you by a Consulting Accountant, please do not hesitate to confirm the answer with the Partners directly.

QUESTION: WHEN WILL THE PARTNERS LOOK AT MY FINANCIAL STATEMENTS OR CONSULTING REQUESTS?

ANSWER: The Consulting Accountant processes all the accounts and produces a draft set of accounts or consulting brief. He / she will go to the Partner, who will then discuss the Planning opportunities. It's this planning session that could make or save you thousands in revenue or expenses. The partner spends quality time and the Consulting Accountant spends quantity time. The Consulting Accountant then finalises the accounts or consulting brief according to the Partners instructions. Sometimes the client is called in to discuss various problems or look at options. This process is similar to the surgeon and the nurse or the mid-wife and the Obstetrician. These processes are designed to minimise the costs to the client/patient.

QUESTION: I ASKED YOU TO RUN YOUR EYE OVER THIS DOCUMENT AND YOU SEND ME A BILL.

ANSWER: Don't forget our business is to sell time. If the task takes less than 5 minutes (like a phone call with no email, follow up) then it's done for free. More than 5 minutes it's charged (including phone calls). We only have 7.5 hours per day to sell, unfortunately, our staff expects to be paid 7.5 hours a day and therefore we have to bill 7.5 hours a day. If we give it away for free, we would not be in business and unable to serve you when you need us.

Whenever we request an answer to a question from the tax solicitors, they send us a bill. Once again, this is based on the time spent (at \$380 / hour). It's not unusual to get a bill for \$87.50 for a 15-minute phone conversation. This is standard practice. We understand that if we want their time, we have to pay for it.

QUESTION: WHY HAS IT TAKEN SO LONG?

ANSWER: In the peak period it may take longer. Missing information will delay the job. In the PEAK PERIOD between August and March the turnaround time may stretch out to 3 – 4 months or more, as everyone wants their work done in this period. Every Accountant in Australia is in the same boat. So please be patient in this period.

In the OFF-PEAK PERIOD between April and July turnaround time drops back to a 6 to 8 weeks. Completely financial Outsourced Accounting, Tax, and Financial Outsourced services are usually within 4 weeks as we perform less checking of your work completed during a full financial year. This will only occur if you comply with all of our recommendations in a timely manner.

Just like there is peak and off-peak periods for holiday accommodation every Accountant is in the same boat. So be prepared for a delay in the peak period between August and March. Remember how hard it is to get accommodation during school holidays.

We have a 6-8-week turnaround company policy given that all information is provided to us and prepared to a reasonable level of competence.

APPENDIX 6 TERMS AND CONDITIONS

Annual Taxation, Accounting, Consulting and Financial Outsourcing (including bookkeeping) Services

Introduction

1. Thank you for your instructions to attend **the Annual Taxation, Accounting, Consulting and Financial Outsourcing Services** requirements for your business entities and for your family. A list of the entities and individuals for whom we are to act (**the Group**) is set out in the accompanying Schedule and our comments below are directed to all those persons.

2. This letter sets out our terms of engagement and the scope of the work to be performed by us within that engagement. Please read it carefully and if you have any queries or wish to discuss any aspect do not hesitate to contact us.

3. Health and Life atf Health and Life Consulting have set out in this document our basic terms and conditions of business (the “Terms and Conditions”) which, together with our Engagement Letter (together called ‘this Agreement’), will apply to all work Health and Life atf Health and Life Consulting undertakes for you with respect to this engagement. If there is any conflict between these [Terms and Conditions](#) and any other agreement this Agreement shall prevail. For the purposes of the Terms and Conditions, “we” includes its partners, employees, and all its **related entities**.

4. This agreement shall automatically renew annually from the approval date of this agreement unless otherwise cancelled. Any fee increases will be indicated in your next account and are normally in line with consumer price index (CPI) increases. Our current terms of engagement for any of your entities we do work for can be found on our website under [Terms of Engagement](#). These terms and conditions apply to any entity i.e. individual, partnership, sole trader, trust, trustee for the trust, a company and/or their related Directors or individuals named or related to the entity on the invoice that is issued at the time.

Our Services

5. We will provide the services set out in our Engagement Letter (the “Services, Products and Template Licences”) and will use all reasonable commercial efforts to provide the Services in an efficient and timely manner, using the necessary skill and expertise to an appropriate professional standard.

6. This firm may provide accounting, tax, bookkeeping, consulting services and products as directed by you, which will be conducted in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB), and with the relevant Australian Laws. The extent of our procedures and services will be limited exclusively for this purpose only. As a result, no audit or review will be performed and, accordingly, no assurance will be expressed.

7. Our engagement is to assist with the preparation of the financial accounts and the preparation and lodgement of the tax returns of your business entities and of your family. Additionally, services will be provided as mutually agreed as attached below in referred to Services, Products and Template Licences:

- Appendix 3.1 *Consulting Services*
- Appendix 3.2 *Accounting and Taxation (Annual)*
- Appendix 3.3 *Financial Outsourcing (bookkeeping)*
- Appendix 3.4 *Products and Template Licences*

8. A new engagement letter may be required for your signing before any work commences. The basis of the abovementioned 'Services, Products and Template Licences' engagement is subject to the Agreement:

9. Unless otherwise agreed, we will prepare the agreed Services, Products and Template Licences 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.

Each business entity and adult family member listed in this Agreement engages us on the terms set out in this letter and is bound by those terms. The business entities and adult family members listed are all jointly and severally liable to pay our accounts, regardless of which of the listed individuals or entities those accounts are addressed to and regardless of which of the listed individuals or entities received the benefit of the work performed.

10. This engagement includes the entire operations of you or only that part of your operations and procedures that have been requested.

11. The scope of our engagement is the preparation and lodgement of the accounting and taxation matters detailed which includes agreed Services, Products and Template Licences. Any agreed fee applies only to Services, Products and Template Licences and advice provided within the scope of our engagement. The agreed Services, Products and Template Licences fees are based on the signing the Proposal provided to you.

12. However, any additional services or advice that you request are outside the scope of this letter and not included in this agreed fee. These services will be charged on the basis of the time and degree of skill and acumen required to complete the task undertaken by us, including any direct out of pocket expenses. Our Standard Hourly rates will apply. Please note in particular that any correspondence from the Australian Taxation Office or ASIC that does not relate to initial assessments nor original payment notices, will be charged as additional services.

13. From time to time, we may employ the expertise of other independent specialists to assist us in the execution of the Services, Products and Template Licences to be provided in this engagement.

Nature and Limitations of Our Work

14. In the provision of our Services, Products and Template Licences we rely on the Practice for both the completeness and accuracy of the information supplied to us and the Practice is solely responsible to users of the special purpose financial report compiled by us. This includes responsibility for the maintenance of adequate accounting records, an adequate internal control structure and the selection and application of appropriate accounting policies.

15. Any reports will be prepared in accordance with practice policy and procedures and we will disclose in our Management Report any known departures from this financial and non-financial reporting framework. If, for any reason, we are unable to complete the compilation of any special purpose financial reports, or we consider the information to be misleading, we may determine not to issue a report.

16. The management and special purpose financial reports will be prepared exclusively for your benefit. We will not accept responsibility to any other person for the contents of the reports.

We understand that an audit of the financial statements is not required, and therefore we will not be expressing an opinion as to the truth and fairness of those statements. A copy of the normal form of disclaimer used in these circumstances is attached to your financial statements. Please request this information in advance should this be of concern.

Our involvement in this type of engagement will not disclose fraud, defalcations or other irregularities which may occur. However, any material weaknesses in the accounting or internal control systems which come to our notice will be drawn to your attention.

There is no assumption of responsibility for any reliance on our report by any person or entity other than yourself and those parties indicated in the annual statutory financial statements and / or any other financial report or advice as requested. The report shall not be inferred or used for any purpose other than for which it was specifically prepared. Accordingly, our report may include a disclaimer to this effect.

17. No person should rely on the reports without having an audit or review conducted. Nothing in this letter excludes the operation of the Trade Practices Act 1974 or analogous provisions of State and Territory Fair Trading Acts to the extent that they may be applicable.

18. Every effort has been made to offer the most current, correct and clearly expressed information possible within this Engagement Letter and website. Nonetheless, inadvertent errors can occur, and applicable laws, rules and regulations may change.

19. The information contained in this Agreement and our website site and related links is general and is not intended to serve as advice. No warranty is given in relation to the accuracy or reliability of any information. Users should not act or fail to act on the basis of information contained herein. Users are encouraged to contact Health & Life Pty Ltd professional advisers for advice concerning specific matters before making any decision.

20. 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.

21. You and your staff are responsible for the accuracy and completeness of the particulars and information provided in relation to Services, Products and Template Licences and this responsibility rests with you. You and your staff will be responsible for maintaining and regularly balancing all books of account.

22. Any advice given to you is only an opinion based on our knowledge of your particular circumstances.

23. Unless otherwise stated, any opinion provided is based on the Australian tax law in force and the practice of the Australian Taxation Office (the ATO) applicable as at the date of the Engagement Letter.

24. Our advice and/or Services, Products and Template Licences will be based on Australian taxation law in force at the date of the provision of the advice and/or Services, Products and Template Licences. It is your responsibility to seek updated advice if you intend to rely on our advice at a later stage. We note that Australian taxation laws are often subject to frequent change and our advice will not be updated unless specifically requested by you at the time of the change in law or announced change in law.

25. We have a duty to act in your best interests. However, the duty to act in your best interests is subject to an overriding obligation to comply with the law even if that may require us to act in a manner that may be contrary to your interests. For example, we could not lodge an income tax return for you that we knew to be false in a material respect.

26. We also have an obligation to ensure that we manage conflicts of interest as they arise. In this regard, we have arrangements in place to ensure that we manage potential or actual conflicts of interest. The effective operation of these arrangements depends, in part, on you complying with your obligation to disclose any potential conflicts of interest to us.

Due to our specialty, from time to time we may be asked to work for a competing practice. Should any conflicts of interest arise we will inform you and refrain from providing any advice to any parties? In the event this occurs, all parties at the time will be informed of this. At this stage we do not believe there is anything that may give rise to a conflict of interest. For confidentiality reasons we are not in a position to disclose the names of any affected parties other than to state that there is a conflict and we are not in a position to handle the matter. We will ensure an appropriate alternative solution is made available to you where possible.

Your obligations

27. You agree to pay for the Services, Products and Template Licences in accordance with this Agreement.

28. You will provide we promptly with such information as may reasonably be required for the proper performance of the Services, Products and Template Licences, including access to

appropriate members of your staff, records, information, technology, systems and premises so we can fulfil Our Obligations.

29. We shall be entitled to rely upon the accuracy of all information provided by you, or by others on your behalf, without independently verifying it in undertaking this engagement, it is understood that you will generally ensure that regardless of the ‘Services, Products and Template Licences’ provided: The bookkeeping for all business entities is maintained on a regular basis. In fact, we recommend the bookkeeping and record-keeping 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 business entities.
- A stocktake will be performed during the last weekend in June for each entity that deals in trading stock.
- It is expected that the trial balance of each of the business entities will be completed at a reasonably mutually agreed time each year.

In respect of the personal tax returns for you and your family, it is expected that all relevant information will be collated and forwarded to our office by *as* mutually agreed. We shall detail more specific requirements in respect of the individual tax returns later in this letter.

30. You shall retain responsibility for the use of, or reliance on, advice or recommendations supplied by us in the delivery of the Services, Products and Template Licences.

31. You undertake that, if anything occurs after information is provided by you to we, to render such information untrue, unfair or misleading, you will promptly notify we and, if required by we, take all necessary steps to correct any announcement, communication or document issued which contains, refers to or is based upon, such information.

32. You acknowledge that information made available by you, or by others on your behalf, to, or which is otherwise known by, partners or staff of we who are not engaged in the provision of the Services, Products and Template Licences shall not be deemed to have been made available to the individuals within Health and Life who are engaged in the provision of the Services, Products and Template Licences.

33. Taxation Service and ‘Services, Products and Template Licences’

In engaging us to provide taxation under in the Services, Products and Template Licences Services, Products and Template Licences section, it is important for you to understand that:

- 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 in order to facilitate the preparation of accurate returns.
- We cannot provide Services, Products and Template Licences if we find that information on which those services are to be based contain false or misleading

information, or omit material information, and you are not prepared to appropriately amend that information.

34. Compilation of financial statements and ‘Services, Products and Template Licences’

By engaging us to compile financial statements, you acknowledge that:

- The reliability, accuracy and completeness of the accounting records are your responsibility; and
- That you have disclosed to us all material and relevant information.

35. No statutory financial audits are conducted

You and your employees are ultimately responsible for the maintenance of the accounting systems and internal controls for all the business entities. That includes the keeping and maintenance of all required books of account. Our firm cannot be relied upon to disclose irregularities, including fraud, 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 business entities and we will not express an auditor’s opinion as to the truth and fairness of the financial statements.

36. Documentation

Before we lodge any returns on your behalf, we will forward the documents to you for approval. We will endeavour to ensure that the returns are lodged by the due dates and will advise you at the beginning of the financial year when documentation should be provided to us. 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.

37. Tax Compliance Law

With effect from 1 March 2010, a new regime for the regulation of tax agents has taken effect under the *Tax Agent Services Act 2009* and accompanying legislation (TASA). The new regime has implications for registered tax agents and also for their clients. An important feature of TASA is the provision of a “safe harbour” protection from penalties in certain circumstances for taxpayers who engage registered tax agents. To obtain the benefits of “safe harbour” protection, the legislation requires the taxpayer to provide the registered tax agent with “all relevant taxation information” to enable accurate statements to be provided to the Australian Taxation Office. This requirement may be important to both parties in identifying and understanding the purpose and scope of the engagement as set out below and may also affect other matters discussed below. You will find further discussion on the “safe harbour” protections in the accompanying document. *See attached Clients’ rights and obligations under the taxation laws in [Appendix 3](#)*. You acknowledge that in engaging Health and Life to prepare financial statements, the reliability, accuracy and completeness of the accounting records are your responsibility, and you have disclosed to Health and Life all material and relevant information.

39. Staff

You agree that during the provision of the Services, Products and Template Licences, and for a period of 12 months thereafter, you will not make any offer of employment to any our partner or employee involved in the provision of the Services, Products and Template Licences, without our prior consent.

40. Benefit of advice

Unless otherwise specifically stated in the Engagement Letter, any advice or opinion relating to the Services, Products and Template Licences is provided solely for your benefit and may not be disclosed in any way, including any publication on any electronic media, to any other party and is not to be relied upon by any other party.

During the supply of our services, we may supply oral, draft or interim advice, reports or presentations but in such circumstances our written advice or final written report shall take precedence. No reliance should be placed by you on any oral, draft or interim advice, reports or presentations. Where you wish to rely on oral advice or an oral presentation, you shall inform us and we will provide documentary confirmation of the advice. We shall not be under any obligation in any circumstance to update any advice or report, oral or written, for events occurring after the advice or report has been issued in final form.

41. Electronic mail

If you ask us to transmit any document to you electronically, you agree to release us from any claim you may have as a result of any unauthorised copying, recording, reading or interference with that document after transmission, for any delay or non-delivery of any document and for any damage caused to your system or any files by the transmission (including by any computer virus).

You may not rely on electronically transmitted advice or opinion unless it is subsequently confirmed by fax or letter signed by a partner or authorised signatory of we.

Fees, expenses and payment terms

42. Our Services, Products and Template Licences will be provided to you on a fee for service basis based on hourly rates and or a fixed fee and charged as set out in [Appendix 3](#) and below:

42.1 1. Standard Hourly Rates

Accounting, Tax and Consulting Standard Hourly Rates in the attached [Appendix 3.1](#)

- Consulting – Practice Advisory Set Up and Ongoing
- Accounting and Taxation

42.2 2. Fixed Fees

42.2.2.1 Quoted Products and Services

Products and Template Licences in the attached [Appendix 3.2](#)

42.2.2.2 Monthly Fixed Fee

Where an agreed monthly fixed fee applies **Monthly Fixed Fee**

Financial Outsourcing (bookkeeping) in the attached [Appendix 3.3](#).

43. The agreed fee in the attached [Appendix 3.3 Monthly Fixed Fee Financial Outsourcing \(bookkeeping\)](#) for the Services, Products and Template Licences covered by this engagement for the next 12 months is in this quote. All fees are payable in equal monthly instalments.” If there is any early termination of a 12-month agreement all fees for the full period is immediately payable pursuant to clause 58,59,60,61,62,63 – Termination of Agreement. If no new Agreement is entered into this will rollover into a monthly agreement, until a new agreement is entered into pursuant to clause see clause 4.

44. This Agreement relates only to the above mentioned Services, Products and Template Licences 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 which are outside the scope of this letter will be the subject of additional charge.

45. The time based fees, if any, quoted in the Engagement Letter or as separately quoted in a fee letter will remain in force until 31 December or 30 June (whichever occurs first) and we may increase fees for work continuing past that date. We review our time based fees six monthly.

46. Out-of-pocket expenses incurred in connection with the engagement will be charged to you.

47. The consideration payable for any supply made or to be made under this Agreement is exclusive of any goods and services tax (“GST”). If GST is payable on any supply made or to be made under this Agreement, you agree that the consideration payable for any such supply shall be increased by an amount equal to the amount of GST payable by we in respect of that supply.

48. For Services, Products and Template Licences rendered, you agree to pay us in accordance with this agreement. We agree to invoice you in such format as you may reasonably require. All amounts payable by you shall be due thirty (7) days after receipt of our invoice and we will invoice after at the completion of a key task, each fortnight or as mutually agreed.

49. The amounts calculated in accordance with this agreement are the only amounts payable by you in respect of the Services, Products and Template Licences, and are inclusive of all taxes, charges, customs and other duties or levies.

50. Payment by you to us of any amounts payable under this Agreement shall be deemed to satisfy the payment obligations owed to us in respect of the invoice to which the payment relates.

Paying Accounts on Time

51. Please help us provide you good service by paying your accounts on time. Without payment we cannot provide the resources to give your prompt service. Some clients take a long time to pay but expect us to drop everything and attend to their needs immediately. It must be a two-way street. A win/win for both. You have to get the best service possible and we have to be given the opportunity to provide it within the constraints available to us. We have no option but to give high priority to our clients that pay their accounts on a timely basis.

Do you have a problem with your invoice?

52. If you are not happy with our bill, please only pay that portion that you are happy with. Please email at pa@healthandlife.com.au to bring your concerns to our attention immediately so that we can address your concerns in a timely manner. It is important to us that you are happy with our service.

If you dispute the whole or any portion of the amount claimed in an invoice submitted by us, you will pay the portion of the amount stated in the invoice that is not in dispute and shall notify us in writing of the reasons for disputing the remainder of the invoice. The dispute shall be resolved in accordance with clause 57.

If you fail to pay an invoice on the due date, you hereby unconditionally agree to indemnify us from and against our time based on standard hourly rates, all legal and debt collection costs and disbursements that may be incurred by us in the collection or attempted collection of monies owing under the relevant invoice.

53. Settlement of our accounts is due strictly within 7 days, unless special alternative arrangements are made with us prior to the due date. A \$10 'reminder letter' fee will be added to your account if we do not receive payment within this period. The company reserves the right to charge interest on outstanding accounts at a rate not exceeding 20% p.a. on outstanding accounts plus costs. You agree to pay any monies owing to Health and Life in respect of this engagement including any debt recovery costs which includes and is not limited to time based on our standard hourly rates to recover any outstanding amounts plus external debt recovery costs for example legal and Court fees and any other relevant costs. No title to goods passes to you unless all outstanding accounts are paid in full.

54. If we are required (pursuant to any order, subpoena, directive or other legal or regulatory process) to produce documents and/or information, answer enquiries, attend court or meetings or deal with any similar requests in relation to the Services, Products and Template Licences for, or by, any judicial, regulatory, administrative or similar body or entity (including without limitation, any foreign regulator or similar), you shall reimburse us at standard billing rates for our professional time and expenses, including reasonable legal fees, incurred in dealing with those matters.

Problem resolution

55. If at any time you would like to discuss with us how the Services, Products and Template Licences can be improved or if you have a complaint about them, you are invited to telephone

the partner or director, as the case may be, identified in the Engagement Letter. We will investigate any complaint promptly and do what we can to resolve the difficulties. The preferred channel for any problem resolution is to email pa@healthandlife.com.au as it can be properly documented and resolved.

If the problem cannot be resolved, the parties agree to enter into mediation, or some other form of alternative dispute resolution, before commencing legal proceedings.

In the event of a dispute, or where fees remain unpaid beyond the due date, we reserve the right to suspend provision of the Services, Products and Template Licences until such time as the dispute is resolved or the fees are paid. Suspension of the Services, Products and Template Licences will not affect your obligation to pay us for Services, Products and Template Licences rendered to the date of suspension.

Termination of Agreement

56. This Agreement shall commence on and shall continue until terminated by written notice by one party to the other. This Agreement will end on the later of the last day of the month in which the notice was given or if data has been forwarded to us by you during the relevant month, upon the data being processed and all relevant files have been returned to you. You should provide at least 3 months written notice.

57. We shall commence the Services, Products and Template Licences on the date as mutually agreed and continue the Services, Products and Template Licences until the expiry date as provided in the Agreement unless terminated in accordance with clause 81.

58. Each of us may terminate this Agreement if: the other commits any material or persistent breach of its obligations under this Agreement (which, in the case of a breach capable of remedy, shall not have been remedied within 14 days of receipt by the party in breach of a notice identifying the breach and requiring its remedy); or the other becomes insolvent; or the Services, Products and Template Licences are suspended under clause 57 for more than 10 normal working days.

59. Termination must be effected by written notice served on the other.

60. We may terminate this Agreement immediately by providing written notice to you if there has been a change of law, rule, regulation or professional standard or a change in circumstance that would cause the continued provision of these Services, Products and Template Licences under this Agreement by we to violate such law, rule, regulation or professional standard or would otherwise, in the reasonable opinion of we, prejudice we's ability to comply with any applicable auditor independence requirement.

Termination under this clause shall be without prejudice to any rights that may have accrued for either of us before termination and all sums due to us shall become payable in full when termination takes effect.

61. Once the agreement is terminated, our obligations to you cease and any unpaid and accrued fee becomes immediately payable. We will issue you a final billing based on unbilled

charges in your client account. This includes billing for any early termination i.e. within 12 months of this Agreement where we have charged the lower discounted rates, instead of our higher Services, Products and Template Licences rates for all products and service provided as detailed in [Appendix 3](#) unless mutually agreed in writing for a lower sum.

We will automatically exercise our right of lien over any property. No property will be transferred until all accounts are paid in full pursuant clause 94 and 95.

Assignment

62. Neither party may assign any of its rights and/or obligations under this Agreement without the prior written consent of the other party.

Limitation of Liability

63. In this section, we set out, and you accept, the limitations which apply to our liability to you should you have reason to make a claim against us. The limitations and exclusions are accepted by both of us to be fair and reasonable, given the duties we are undertaking, the sums to which we are entitled and the availability (and cost) of insurance.

64. Nothing in these Terms excludes, restricts or modifies the application of the provisions of any statute (including the Trade Practices Act 1974) were to do so would contravene that statute or cause any part of these Terms to be void.

65. These Terms, and the Engagement Letter are the only communications governing our relationship. Subject to clause 68, we expressly exclude and will have no liability for any statements, representations, guarantees, conditions or warranties, including any which may be implied by statute, common law or custom or which arise from oral or written communications with you, which are not expressly contained in this Agreement. If any representations are of importance to you, you should ensure that they are expressly set out in the Engagement Letter before signature.

66. Without limiting clauses 67, 68 and 69, our liability in relation to the Services, Products and Template Licences is limited under an Institute of Chartered Accountants in Australia Scheme approved under the relevant Australian States and Territories professional standards legislation, including, where applicable, the Treasury Legislation Amendment (Professional Standards) Act 2004 (Cth) ("PSL Scheme"). A copy of the relevant PSL Scheme, is available from your we representative or at <http://www.professionalstandardscouncil.gov.au>.

67. Where a PSL Scheme does not apply, and subject to clauses 67 and 68, you agree that we's liability for any loss or damage suffered by you (whether direct, indirect or consequential) in connection with the Services, Products and Template Licences, including (without limitation) liability for any negligent act or omission or misrepresentation of we, shall be limited to an amount equal to ten (10) times the reasonable charge for the Services, Products and Template Licences. You agree to release we from all claims arising in connection with the Services, Products and Template Licences to the extent that we's liability in respect of such claims would exceed that sum.

68. If we are liable for a breach of any warranty implied by section 72 of the Trade Practices Act, 1974 in respect of Services, Products and Template Licences not of a kind ordinarily acquired for personal, domestic or household use or consumption, we's liability under that section is limited to the supplying of the Services, Products and Template Licences again or the payment of the cost of having the Services, Products and Template Licences supplied again, whichever we, in its absolute discretion, elects.

69. To the extent permitted by law, you agree that to the extent that any loss or damage suffered by you is attributable to negligence, fault or lack of care on your part or on the part of any person for whom you are responsible, we are not liable (in contract, tort or otherwise) for the loss or damage.

Indemnities

70. You agree to indemnify and hold harmless we against any and all losses, claims, costs, expenses, actions, demands, damages, liabilities or any other proceedings, whatsoever incurred by we in respect of any claim by a third party arising from or connected to any breach by you of your obligations under this Agreement.

71. We shall not be liable for any losses, claims, expenses, actions, demands, damages, liabilities or any other proceedings arising out of reliance on any information provided by you or any of your representatives, which is false, misleading or incomplete. You agree to indemnify and hold harmless we from any such liabilities we may have to you or any third party as a result of reliance by we on any information provided by you or any of your representatives, which is false, misleading or incomplete.

72. In the event of any inconsistency between clauses 63 and 73 shall prevail.

73. Our firm's liability may be limited by a scheme approved under Professional Standards Legislation.

It should be noted at the outset that as a general proposition we rely upon you to provide us with accurate and timely information to enable us to properly perform our engagement obligations. Consequently, any rectifying work performed by us on the basis of incorrect or late information will be work which is outside the scope of this Agreement and will be charged as additional services.

Although we may assist your practice in areas such as complying with the myriad government rules and regulations, the ultimate responsibility for compliance lies with you and your practice. For timely turnaround of requests, all correspondence should be sent to pa@healthandlife.com.au otherwise unnecessary delays up to 10 days may occur.

74. You hereby unconditionally agree that you are entering into this agreement with the Health and Life Pty Ltd or Health and Life Pty Ltd as trustee for the Health and Life Consulting and not with David Dahm or any of its employees or agents. You hereby unconditionally agree that you are entering into this agreement with us as a result of their own due diligence and investigations not on any recommendation of any of David Dahm or any of its employees or agents. This agreement is made between us and you and you unconditionally agree that none

of David Dahm or any of its employees or agents are a party to that agreement. You agree that this agreement may be pleaded in bar to any action, suit or proceeding commenced or taken by you against any of David Dahm or any of its employees or agents in respect to the Services, Products and Template Licences or any associated matter.

Privacy

75. We are committed to complying with the Federal Privacy Act 1988 and National Privacy Principles when collecting, holding or disclosing personal and sensitive information concerning your shareholders, members, customers, employees and other individuals with whom you have dealings ('stakeholders'). Our Privacy Policy is available at <https://www.healthandlife.com.au/contact-us/privacy-policy-disclaimer/>

76. If your stakeholders have not been made aware of the possible collection, holding, use or disclosure of their personal and sensitive information by we as part of this engagement, you agree to inform us so that should this be necessary, we may take action to raise the awareness of your stakeholders about the same.

Force majeure

77. If the performance of this Agreement by a party, is prevented or restricted by reason of fire, storm, flood, earthquake, war, labour dispute, transportation embargo, law, order, or directive of any government in matters relating to this Agreement, or any other act or condition beyond the reasonable control of that party, then the party is excused from such performance to the extent of the same, but will use their best efforts to avoid or remove the causes of non-performance and to cure and complete performance with the utmost dispatch.

Reliance on Advice

78. You acknowledge and agree that any advice, recommendations, information or work product provided to you by us in connection with this engagement is for your sole use. You agree that if you make such advice, recommendations, information or work product available to any third party, you will notify such third party, in writing, that we's advice, recommendations, information and work product is for your sole benefit based on the specific facts and circumstances and the scope of we's engagement with you and is not intended to be relied upon by any other person. In the event of a claim by any third party relating to our Services, Products and Template Licences under this engagement that arises out of a breach by you or any of your personnel of this paragraph, you agree to indemnify and hold harmless us and our personnel from all such claims, liabilities, costs and expenses (including legal fees and disbursements).

Confidentiality & Privacy Policy

79. Storage of Personal Information

By signing this letter and accepting these Services, Products and Template Licences you acknowledge and agree that your personal information may be stored overseas. All your

information is held in Australia, in the United States of America and as disclosed by us the software and vendors we use, please consult their website for further information.

80. Both parties acknowledge that they may, in the course of the engagement, be exposed to or acquire information that is proprietary or confidential to the other party. Both parties agree to hold such information in strict confidence, and not to divulge such information except as may be required by law or judicial process, by any persons or bodies responsible for regulating that party's business (including any regulatory or accounting profession supervisory authorities in Australia or elsewhere), as required by a party's internal policies or as the party reasonably determines is necessary to protect its own legitimate interests.

Each party must keep any Confidential Information in respect of the other party secret and confidential. All reasonable and necessary precautions to maintain the secrecy and prevention of disclosure of any Confidential Information in respect of the other party must be adhered, and to not disclose Confidential Information in respect of the other party to any third party without first obtaining the written consent of the other party.

A party may disclose any Confidential Information in respect of the other party to the extent that the party is required by law to do so, or it is information that is generally available to the public.

81. We will treat as confidential all such information obtained from you in the course of performing our Services, Products and Template Licences and will not use such information except in connection with the performance of our services, as may be required by law or judicial process, by any persons or bodies responsible for regulating either party's business (including any regulatory or accounting profession supervisory authorities in Australia or elsewhere), as required by a party's internal policies or as either party reasonably determines is necessary to protect its own legitimate interests. For further details please refer to our [Privacy Policy](#).

82. Our firm may from time to time use the services of third party contractors to perform some of the services we are engaged to perform for you. Each client in the Group hereby authorises us to disclose information relating to that client's affairs to all such third party contractors as we may choose to engage to perform such work.

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

From time to time our firm and our third party contractors may engage external IT service providers (including in relation to 'cloud computing' services) in the performance of services under this engagement. Each client in the Group hereby authorises us and our third party contractors to disclose information relating to those clients' affairs to all such external IT service providers as we or our third party contractors may choose to engage.

83. We may also need to disclose information relating to one client's affairs to other clients in the Group to assist in performing our work, to persons responsible for the governance of an

entity to comply with accounting standards, or to 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 required by that professional body.

84. Privacy Policy

1.0 Introduction

This document summarises the full [Health and Life Privacy Policy](#) which covers the Health and Life group of companies. The Health and Life group of companies includes all companies trading under the names 'Health and Life' and any related companies (referred to within this document collectively as 'Health and Life', 'we', 'us' or 'our').

This document only provides an overview of how Health and Life manages personal information. More detailed information about how we manage personal information is provided in our full privacy policy.

2.0 What is Personal Information

Personal information for the purposes of the Privacy Policy is determined as:

information (including an opinion) that relates to an identifiable person or that can be used to identify the person to whom it relates.

3.0 Australian Privacy Principles (APPs)

Health and Life is required to comply with the Australian Privacy Principles ('APPs') that are applicable to organisations. The APPs regulate how Health and Life deals with personal information.

4.0 Collection, use and disclosure of personal information

Health and Life collects, uses and discloses personal information where it is reasonably necessary for business functions or activities. These functions and activities relate to:

- Providing services to customers.
- Promoting and growing the Health and Life business(s).
- Undertaking research and development and improving our services.
- Obtaining services from other businesses.
- Employing staff.
- Participating in industry processes.

- Managing our corporate affairs, including our obligations to our shareholders.
- Complying with legal and regulatory obligations.
- Protecting our rights and entitlements.

Health and Life keeps different types of records that include personal information. These include records stored electronically on databases and also hard copy files. We take reasonable steps to ensure that the personal information we keep is protected from misuse, loss or any unauthorised access, modification or disclosure.

Health and Life will take such steps as are reasonable in the circumstances to destroy or de-identify personal information that we no longer need.

5.0 Opting out from direct marketing

If you do not wish your personal information to be used or disclosed by us for the purposes of direct marketing, please contact us at pa@healthandlife.com.au. It may take up to 28 days for your request to be processed.

6.0 Disclosure of personal information to overseas recipients

Health and Life may disclose personal information overseas including to the following countries:

- United States of America, New Zealand and the Philippines

7.0 Acting anonymously or under a pseudonym

When you interact with Health and Life you may choose to act anonymously or provide a pseudonym where it is practical to do so. However, we may refuse to deal with you if we are required or authorised by law to deal with individuals who have identified themselves or it is impractical for us to do so without you providing personal information to us.

8.0 Accessing your personal information held by us

You may request access to your personal information held by Health and Life by contacting pa@healthandlife.com.au. Generally, we will be required to provide access but there are circumstances where we are permitted to refuse access and we reserve our right to do so. We also reserve the right to recover our reasonable costs of providing you with access to your personal information held by us. If we decide to charge you for accessing your personal information, we will notify you of this beforehand.

9.0 Correcting your personal information

If you believe that we hold personal information about you that is wrong (which includes inaccurate, out of date, incomplete, irrelevant or misleading), you may request that we correct

the personal information. If you wish to make such a request, you should contact Health and Life via pa@healthandlife.com.au.

Where we are satisfied that the personal information is wrong, we will take such steps (if any) as are reasonable in the circumstances to correct the personal information.

10.0 Complaining about a breach of our obligations under the Australian Privacy Principles

If you believe that we have acted in a manner that breaches the Australian Privacy Principles, we recommend that you contact us in the first instance at pa@healthandlife.com.au. If you believe that you have provided us with a reasonable opportunity to resolve your complaint but we have not done so, you may contact the [Office of the Australian Information Commissioner](#) (OAIC) or, if your complaint relates to our handling of personal information in relation to your telephone or Internet service, the [Telecommunications Industry Ombudsman \(TIO\)](#).

11.0 How to get further information about privacy and how to contact us

If this summary privacy policy does not provide the information you require about how we deal with personal information, we suggest you consult our [full privacy policy](#). If you still cannot find the information you require, you can contact us at pa@healthandlife.com.au.

If you require information about privacy more generally you may wish to contact the Office of the Australian Information Commissioner (information about the OAIC can [be found here](#)).

External Quality Assurance

85. 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 draw your attention to our firm's system of quality control which 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 and the Institute of Chartered Accountants, which monitors compliance with professional standards by its members. We advise you that by accepting our engagement you acknowledge that, if requested, our files relating to this engagement will be made available under this program. Should this occur, we will advise you.

Any information acquired by us in the course of our engagement, including any information relating to your affairs whether or not it belongs to you or not or is provided by you or not, 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 of CPA Australia and the Institute of Chartered Accountants 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.

Ownership of documents

86. 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.

87. In relation to any subsequent termination of our Services, Products and Template Licences, you are advised that we shall be entitled to retain all documents belonging to you and any related parties we act for until payment is received in full for all outstanding fees. The firm has also established dispute resolution processes.

88. 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.

89. Our engagement will result in the production of electronic documents or files, which will be supplied to the client, such as income tax returns or financial statements. 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.

90. If our Services, Products and Template Licences 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 refund cheques of that client which come into our possession) until payment in full of all outstanding fees outstanding from all members of the Group on any account. Where copies of any documents released to you are required for our records, you will be charged at our standard hourly rates.

Intellectual Property

91. Copyright and any other intellectual property rights in Health and Life's documentation and/or software are and shall remain its property. No rights will be assigned unless authorised in writing by Health and Life.

92. All original documents obtained from you arising from the engagement shall remain your property. However, we reserve the right to make a reasonable number of copies of the original documents for our records.

93. Our engagement will result in the production of income tax returns or financial statements and management letters. 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, subject to any statutory obligations.

94. 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 also has established dispute resolution processes.

95. In the event this agreement is terminated, we reserve the right to enter the Practice's premises and recover our documentation and/or software, and/or retain the right to charge an appropriate fee where applicable. We retain ownership of all records if accounts remain outstanding. Debt collection fees and charges apply.

96. General: Title to, and all Intellectual Property Rights in the Services, Products and Template Licences, the Website and any documentation relating to the Services, Products and Template Licences remain the property of we (or its licensors).

97. Ownership of Data: Title to, and all Intellectual Property Rights in, the Data remain Your property. However, your access to the Data is contingent on full payment of the we Access Fee when due. You grant we a template licence to use, copy, transmit, store, and back-up Your information and Data for the purposes of enabling You to access and use the Services, Products and Template Licences and for any other purpose related to provision of services to You.

98. Backup of Data: You must maintain copies of all Data inputted into the Service. We adhere to its best practice policies and procedures to prevent data loss, including a daily system data back-up regime, but does not make any guarantees that there will be no loss of Data. We expressly exclude liability for any loss of Data no matter how caused.

99. Third-party applications and your Data. If You enable third-party applications for use in conjunction with the Services, Products and Template Licences, you acknowledge that we may allow the providers of those third-party applications to access Your Data as required for the interpretation of such third-party applications with the Services, Products and Template Licences. we shall not be responsible for any disclosure, modification or deletion of Your Data resulting from any such access by third-party application providers.

Access conditions:

100. You must ensure that all usernames and passwords required to access the Service are kept secure and confidential. You must immediately notify the software provider in question of any unauthorised use of Your passwords or any other breach of security and the software provider will reset Your password and You must take all other actions that we and the software provider reasonably deems necessary to maintain or enhance the security of we's/the Software Provider's computing systems and networks and Your access to the Services, Products and Template Licences.

101. As a condition of these Terms, when accessing and using the Services, Products and Template Licences, you must: not attempt to undermine the security or integrity of we's or the software provider's computing systems or networks or, where the Services, Products and Template Licences are hosted by a third party, that third party's computing systems and networks;

- a. not use, or misuse, the Services, Products and Template Licences in any way which may impair the functionality of the Services, Products and Template Licences or Website, or other systems used to deliver the Services, Products and Template Licences or impair the ability of any other user to use the Services, Products and Template Licences or Website;
- b. not attempt to gain unauthorised access to any materials other than those to which You have been given express permission to access or to the computer system on which the Services, Products and Template Licences are hosted;
- c. not transmit, or input into the Website, any: files that may damage any other person's computing devices or software, content that may be offensive, or material or Data in violation of any law (including Data or other material protected by copyright or trade secrets which You do not have the right to use); and
- d. not attempt to modify, copy, adapt, reproduce, disassemble, decompile or reverse engineer any computer programs used to deliver the Services, Products and Template Licences or to operate the Website except as is strictly necessary to use either of them for normal operation.

Governing law and jurisdiction

102. Unless otherwise specified in the Engagement Letter, this Agreement and all aspects of our engagement and our performance of the Services, Products and Template Licences are governed by, and construed in accordance with, the laws applicable in the State or Territory of the we office entering into this Agreement. Both you and we agree to irrevocably submit any disputes arising under this agreement to the exclusive jurisdiction of the Courts of that state.

Variation

103. No variation of this Agreement will be valid unless confirmed in writing by authorised signatories of both parties, or the packaged offering is updated electronically and the acceptance of terms & conditions for the new packaged offering are accepted on or after the date of signature (digital or otherwise) of the Engagement Letter.

No amendment, modification or waiver of this Agreement or any of its provisions shall be binding upon the parties unless made in writing and signed by both parties. A failure of either party to enforce at any time any of the provisions of this Agreement, or to exercise any option which is herein provided, or to require at any time performance by either party to this Agreement of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions of this Agreement.

Complete Contract

104. This Agreement supersede all prior agreements and understandings (written and oral) between the parties for the performance of the Services, Products and Template Licences, and constitute the complete agreement and understanding between the two parties unless modified in writing by both parties.

Acceptance

105. You shall review on a continuous basis all Services, Products and Template Licences performed by us, and shall notify us, in writing, if all or any part of the Services, Products and Template Licences are not acceptable to it following delivery of all or such part of the Services, Products and Template Licences to be performed with a written explanation of the reasons the Services, Products and Template Licences have been deemed unacceptable. Upon such notice, we shall modify its performance of Services, Products and Template Licences so as to provide that the same will be acceptable to you were reasonable.

Confirmation of engagement

Obviously, there are many issues to consider in this engagement and we ask that you consider all aspects of this letter to ensure that you are satisfied with the scope of our engagement. Please contact us if you have any queries about this letter. Once you are satisfied with the terms of this letter, would you please have all persons sign and date both copies of this letter in the places indicated. One electronic copy should be forwarded to us as evidence of your acceptance of the terms of our engagement. You should retain the other copy as your evidence of our engagement. We note again that we are unable to perform any work for you until we receive the signed letter.

We thank you for the opportunity to provide Services, Products and Template Licences to you and your Practice and we look forward to developing a close accounting relationship with you for many years to come.

This proposal is valid for 30 days.

This agreement will be reviewed each quarter to ensure our services and products meet your requirements.

As mutually agreed, you can upgrade our monthly services and we will issue you a new Engagement Letter.

ACKNOWLEDGEMENT OF TERMS OF ENGAGEMENT

Acknowledgment of terms of engagement

I/We, the parties named in this engagement letter or as advised or confirmed by the name of any invoice paid by you. I/We understand and agree to your terms of engagement, and acknowledge our responsibilities as set out the terms of engagement.

This agreement may be accepted by countersigning and returning this letter to the firm, by email, orally or by instructing us to do work after receipt of this agreement.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements. This letter will be effective for future years unless we advise you of any changes. Our current terms of engagement for any entities we do work for can be found on our website a [Terms of Engagement](#). These terms and conditions apply to any entity i.e. individual, partnership, sole trader, trust, trustee for the trust, a company and/or their related Directors or individuals named or related to the entity on the invoice that is issued at the time.

- This letter supersedes any previous engagement letter. Once it has been accepted, this letter will remain effective until it is replaced.
- You or we may vary or terminate our authority to act on your behalf at any time without penalty. Notice of variation or termination must be given in writing.
- If this letter is not in accordance with your understanding of the scope of our engagement or your circumstances have changed, please let us know.
- This letter should be read in conjunction with the firm's standard terms and conditions on our website and in this Agreement.

I/We have read and understood all pages of this agreement and agree to all Terms & Conditions including the engagement letter HL#

SIGNED by
Authorised Person on behalf of the Practice

Date

SIGNED by David Dahm
CEO on behalf of Health and Life Pty Ltd

Date

“A great organisation to deal with
- Extremely professional and very
knowledgeable!”

Mrs C Ingram

Kangaroo Island Medical Clinic



Health&Life
TAX ♦ ACCOUNTING ♦ PRACTICE ADVISERS

Chartered Accountants

*“Creating a sustainable and socially
responsible healthcare system”*