

**RETAINER FOR ACCOUNTING SERVICES AND COSTS AGREEMENT WITH SOUTHERN ACCOUNTING
AND CONSULTING SERVICES PTY LTD
ABN 68 061 161 966**

Business address	Pelham Chambers at 52 Pelham Street Carlton 3053
Postal address	P.O. Box 115 Carlton South Vic 3053
Contact details	Telephone 9650 3888 Facsimile 9654 1788 Website: www.saacs.com.au Email: reception@saacs.com.au
Office hours	9.00am to 5.00pm weekdays. Consultations by appointment.
Agreement for costs and disbursements	<p>Pursuant to the principles of user pays and consistent with professional standards and industry practice, all work, both technical and non-technical, performed by us on your behalf will be charged at the rate of \$150.00 per hour (supervised support staff) up to \$312.00 per hour (principals) or part-hour pro rata. This means that all time that is spent working on your matter or transaction* eg. telephone calls, preparing all correspondence and documents, perusing correspondence received, technical research, travelling time, consultation with you or persons relevant to your matter or transaction, meeting preparation, photocopying, processing and forwarding mail and attending external proceedings etc, will be charged at these rates.</p> <p>*Each attendance is calculated and charged in three-minute units eg. a 25 minute attendance of principal equals – 9 times 3 minute unit @ \$15.60 per unit = \$140.40.</p> <p>The hourly rate does <u>not</u> include a GST component. GST will be a separately charged item in your account. It will be charged on all professional fees charged and disbursements incurred.</p> <p>Professional costs do not include disbursements. Disbursements are out of pocket expenses incurred directly on your behalf e.g. stamp duty and filing fees, postage, STD/IDD costs, all calls to your / from my mobile telephones, faxes, Government charges, selected bank fees and interest, etc. Disbursements must be paid as an item on a tax invoice / fee note of professional costs and disbursements.</p>
Estimate of total professional costs and disbursements	Where ever possible an estimate of approximate professional costs and disbursements for standard engagements will be provided at the date of initial consultation.
Billing frequency and payment of tax invoices and recovery	An account of professional costs and disbursements (tax invoices) will be rendered at the completion of each matter or on a periodic lump sum basis. It must be paid upon completion of work before lodgement for standard tax return preparation and in all other cases within 14 days of receipt. Work on your matter may be suspended pending payment. We have a lien on all papers or assets held for unpaid fees, outsourced recovery action will generally commence if a tax invoice remains unpaid 7 weeks after the date of issue, with clients liable for statutory interest on unpaid amounts and all recovery costs.
Payment methods and discounts	Payment of tax invoices may be affected by cash, cheque, money order, periodic direct credit, certain credit cards or by internet banking facility.

THIS RETAINER AND COSTS AGREEMENT SHOULD BE READ IN CONJUNCTION WITH THE FOLLOWING NOTE ON OUR BILLING PROCESS AND IS EFFECTIVE FROM 1 JULY 2008. IF YOU DO NOT WISH TO RETAIN MY FUTURE SERVICES ON THIS BASIS, PLEASE ADVISE ME IN WRITING WITHIN 7 DAYS OF RECEIVING THIS AGREEMENT.

A note on our billing process:

The following overview is provided in response to some client queries about our billing process.

Clients are charged for *all* work performed by us on their behalf. The basis for calculating our tax invoices is on the basis of all time spent working on your matter (time spent on technical, procedural and administrative matters), plus disbursements strictly on a user pays basis.

Work of a “substantive” nature (e.g. face to face meetings, written opinions, legal research, completion of business activity statements, finance application documents, preparation of end of year accounts and returns, preparation of APRA/ASIC returns, etc.) is generally billed separately at the completion of the matter.

Work of a “non-substantive” nature (e.g. telephone and email advice from qualified staff, procedural and administrative telephone and email advice provided by support staff, correspondence perusal and forwarding, time spent satisfying clients requests for the provision of information or copies of documents from client files, time spent liaising with other entities at the request of clients, corporate register maintenance costs, registered office costs, time spent responding to other entities inquiries relating to client affairs, etc.) is generally aggregated and billed on a periodic basis, usually in conjunction with the end of year accounts and returns.

Various costs *not directly* associated with a particular clients work (e.g. office rental, insurance, computer hardware purchases, computer software updates, registrations, advertising, equipment rentals, plant and equipment purchases, etc.) together with the wages of principals and staff are accounted for in our hourly charge out rates, which are applied to substantive / non-substantive work. We strive to match the seniority of staff to the particular task at hand to maximise our efficiency and to minimise the cost to the client.

Further, various “disbursements” incurred *directly* in the performance of work on clients behalf (e.g. courier costs, telephone calls to and from mobile phones, long distance telephone / facsimile calls, photocopying costs, certain postage and handling costs, selected Government fees and charges, selected bank fees, interest and charges incurred, etc.) are allocated on a user pays system, aggregated and generally billed on a periodic basis, usually in conjunction with the end of year accounts and returns.

A special note about “salary and wage tax return clients”. The nature of the limited engagement to complete tax returns is that clients are generally charged a standard fee specifically for the preparation and lodgement of their tax return and processing of their tax assessment documentation. The provision of any accounting services in addition to tax return preparation is a separate engagement and clients will generally be charged on a user pays basis at rates listed above. Therefore, whilst salary and wage tax return clients have ongoing access to all practice staff and the full range of services offered by the practice at all times, the standard tax return preparation fee charged does not entitle clients to *complimentary* ongoing accounting services, such as email advice from qualified staff. We welcome the opportunity to be of ongoing assistance to salary and wage tax return clients throughout the entire financial year, however, depending on the nature of client inquiries and or the number of such inquiries, we reserve the right to issue tax invoices in relation to same either at the completion of a specific matter or at the end of the financial year on a user pays basis at rates listed in the body of our Terms of Retainer. Further, in compliance with pronouncements from the various professional bodies and professional indemnity insurers and in conformity with our practice risk management policy we request that clients requesting professional advice either make an appointment for a face to face consultation or that queries be addressed to us in writing (i.e. mail, email or facsimile with all relevant circumstances briefly detailed) to enable us to properly consider all relevant factors when addressing queries. Professional advice will not be provided over the telephone. As a client service the practice continues to dispense complimentary general advice through information contained on its website, in its newsletters and in other information bulletins. Clients can access further *complimentary and instantaneous* advice directly from other agency’s such as the Australian Taxation Office on its general enquiries line 13 72 86 or on its website at www.ato.gov.au or elsewhere at sites listed under Linkages on our website.

As a registered enterprise we are required to account for the Goods and Services Tax (GST). GST will be a separately charged item on your tax invoice. It will be charged on all fee charges and disbursements incurred.

Tax invoices can be paid by cash, cheque, money order, credit card, periodic direct credit or by internet bank transfer (BSB 033095 Account Number 135928). Discounts continue to be available for monthly set fee direct credit clients.

Some services, such as initial short consultations of a general nature and the provision of regular newsletters, continue to be provided to clients free of charge as a complimentary client service.