



SPS Audit (QLD) Pty Ltd
trading as *sps audit*
ABN 44 640 792 605
ACN 640 792 605

Registered Company Auditors
Registered SMSF Auditors

31st January, 2025

Joanna Kobos
Via e-mail
jkobo0@eq.edu.au

Dear Joanna,

Thank you for inviting us to submit a proposal to act as external auditors of the Meridan State College Parents and Citizens Association.

We have developed and present in this proposal a description of the tasks involved and the approach we would adopt in carrying out an audit of the Meridan State College Parents and Citizens Association to comply with the *Education (General Provisions) Act 2006* requirements.

We believe our firm's considerable experience and audit approach provides us with the appropriate credentials to undertake the assignment.

Based on our discussions with yourself we understand the engagement requires the issue of an audit opinion on the operations of the Meridan State College Parents and Citizens Association and completion of financial statements to comply with the *Education (General Provisions) Act 2006*.

In addition to the statutory reporting requirements we would also expect you to make the following demands on your auditors:

1. They conduct the audit with a high degree of skill and efficiency.
2. They ensure the audit is carried out on a timely basis each year to comply with your reporting requirements.
3. They perform the audit for the lowest fee commensurate with high quality service.
4. They advise and make recommendations where necessary as to improvements in internal controls and on other accounting matters.
5. They demonstrate alertness to business opportunities.
6. They have a proven ability to work with management.

Unit 9, Serenity Waters, 123 Brisbane Rd
Mooloolaba QLD 4557
Telephone: (07) 5446 2746
Mobile: 0414 690 719

PO Box 347
Mooloolaba QLD 4557
E-mail: audit@spsaudit.com.au

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7. They have professional integrity with regard to confidentiality of client affairs.
8. They act as a sounding board regarding any financial or operating concerns faced by management.

The audit would be organised to cover adequately all aspects of the Association as far as they are relevant to the *Education (General Provisions) Act 2006* requirements in order to form an opinion on whether:

- (a) the financial information has been prepared using acceptable accounting policies,
- (b) the financial information complies with the relevant regulations and statutory requirements,
- (c) there is adequate disclosure of all matters necessary to give a true and fair view.

To meet the above objectives **sps audit** employs what we call the “business approach” to auditing. We believe that sound auditing is achieved through understanding your organisation and the manner and environment in which you operate. Against that background, we would tailor audit procedures designed specifically to cater for the uniqueness of your operations. The result is an audit that extends beyond recorded accounting entries to an understanding of the nature of the underlying transactions.

Our approach of auditing the business and not just the books enables us to be more efficient and cost effective and to provide “added value” service through the submission of timely reports and recommendations in relation to your activities.

The essential features of your audit would be:

- Proper audit planning
- Regular meetings with management
- Identification of audit risk areas
- A systems based approach
- Formal reporting

Our fee for providing the scope of auditing services nominated in this proposal would be as follows covering the financial year ended 31st December, 2025 (now that the canteen is no longer under the P&C's operations):

Description	\$
Completion of final audit, including attendance at your premises	400
Completion of financial statements in accordance with requirements	100
TOTAL	<u>500</u>

Please note the above fees are exclusive of GST.

In developing this fee we would point out that the costs involved in setting up the audit are absorbed by us.

Our policy is not to bill overruns against our estimates unless it can clearly be demonstrated that they have been brought about by events outside our control.

Furthermore, as our professional fees are based upon time spent on the assignment, if our costs are less than the proposed fee we will pass the savings onto the Association.

In summary, **sps audit** will provide an audit which places emphasis on the operations and business needs of the Meridan State College Parents and Citizens Association. Traditional problems of over-auditing are eliminated by our "business approach" which stresses the planning process, risk identification and timely reporting. Above all, our approach is intended to ensure that the Association will receive "added value" from the regular statutory audit.

We would like to pass on our thanks to yourself for the time provided which has assisted us in developing this proposal.

We would welcome the opportunity to conduct the audit of the Association and would be pleased to discuss any aspect of this proposal with you.

Best wishes



STEPHEN SHIRLEY
B Comm, F C A