

2024 PERSONAL INCOME TAX ENGAGEMENT LETTER

Dear Sir or Madam:

Re: Our Services - 2024 and Subsequent Years Personal Tax Return Preparation

We thank you for allowing us to prepare your 2024 personal tax return(s).

ABOUT THIS ENGAGEMENT LETTER

Please ensure you read this letter carefully, include all signatures listed at the end, and return it to us at your very earliest convenience before you send us your tax information. We will not start any work on your tax return(s) until this letter is signed and returned to us.

REQUIRED INFORMATION

During our engagement, we will rely on you to provide us with complete and accurate information so that we may prepare your return(s) in a timely manner. We wish to emphasize that you are responsible for the accuracy and completeness of the information included in your return(s).

To ensure the accuracy and completeness of the information to be reported in your tax return, we strongly encourage you to use or follow the TAX CHECKLIST, which is also enclosed.

As part of the information reported in your return, you are required to include details with respect to the ownership of all your assets in foreign countries which exceed CAD \$100,000 (i.e. foreign bank accounts, other indebtedness, shares of foreign corporations, real and other tangible property situated outside Canada, etc.). We will assume that you have no such possessions if you do not provide any information. A blank form is attached to allow you to prepare the required information accurately, and in a timely fashion. Penalties for failure to file this form by April 30, 2025 are significant.

LIMITATIONS OF SERVICES

Our services will not result in an audit of any information provided to us. We will rely entirely on your representations. Unless informed differently, we are not aware of any illegal or possibly illegal acts for which you have not disclosed to us all facts related thereto.

ELECTRONIC FILING (E-FILING)

The CRA requires all tax preparers in Canada to e-file all tax returns on behalf of their clients. Numeracy Accounting Solutions Inc. adheres to this requirement. There are cases where a return will not qualify for electronic transmission for technical reasons. Should this apply to you, we will inform you of the need to paper-file your return and make arrangements for timely filing.

CONSENT TO E-FILE (FORM T183)

Prior to e-filing a tax return, we are required by the CRA to obtain a signed consent form (T183) from you (as well as for each member of your family for whom we are also preparing a return). Please ensure you are available to provide us with the signed form, enabling us to file your return on a timely basis. In particular, you need to work out logistics, for example, if you are planning to travel while we complete your return etc. If you do not provide us with signed form T183 prior to **April 30th**, your return may be filed late, resulting in late-filing penalties.

ASSUMPTIONS

Unless specifically indicated otherwise, the following assumptions will be made in preparing your tax return(s):

- You consent to the CRA sharing your information with Elections Canada
- You do not own foreign assets with an aggregate cost in excess of \$100,000.
- You are a Canadian citizen.
- You do not wish to donate any portion of your refund to the Ontario Opportunities Fund.
- For students with tuition fees, the maximum amount will be transferred to a parent.
- All your financial information is in Canadian currency.

FEES FOR SERVICES

An invoice indicating our fees will be provided with your return and *we request that the balance be settled prior to our electronically filing return(s) to the CRA.* For your convenience, invoices may be paid by Visa, MasterCard, Cash, E-Transfer or cheque.

Please note that our fee for the preparation of your return(s) does not include any representations made by Numeracy Accounting Solutions Inc. in the event of an audit by a government tax authority nor does it include various requests by a government tax authority for documents and slips subsequent to the filing of your return, detailed research exercises which are specific to your situation and follow up time with respect to erroneous assessments by a government tax authority.

One invoice will be issued, which will include the aggregate fees applicable to all the returns we have prepared on your behalf. If you require separate invoices for various family members (i.e. spouse; parent; adult children), please indicate this in the space below.

If we are given additional information once your tax results have been communicated to you, an additional charge starting from **\$60.00** per hour will be added to your invoice.

Please prepare a separate invoice for the following individuals:

FINAL PRODUCT

Upon completion of your return, a copy of your tax return, and those of all your family members, will be made available to you. You are responsible for verifying the contents, and addressing all matters enclosed, within the required deadlines.

Failure to do this may result in significant interest and penalties, for which **we are not responsible.** If your tax return is required to be paper filed with the CRA, ensure you have made clear arrangements with us in terms of how your return will be signed, and filed in a timely fashion. In the absence of such clear direction, please do not assume that we will file your return on your behalf.

NOTE: WE WILL CONTACT YOU WHEN YOUR ORIGINAL DOCUMENTS ARE READY TO BE RETURNED TO YOU.

CRA REQUESTS FOR RECEIPTS

As indicated previously, your tax returns will be e-filed with CRA. As part of its administrative procedures, CRA, on a sample random basis, subsequently requests receipts from certain taxpayers to corroborate certain information reported in the tax return. This process is not considered to be an audit of your return.

You are required to respond to these requests in a timely fashion. As stated above, all your original documents will be returned to you, thereby enabling you to respond to such requests with relative ease. However, should you choose to seek our assistance to respond to such requests, minimum fees of **\$60 plus resource time** as per the fee schedule attached will apply.

When receipts are more voluminous, such as donations and/or medical receipts, additional resource rates will apply. If you seek our assistance for this, we will assume your understanding of the application of these fees.

Typically, these requests occur in the summer and fall months. If you are planning extensive travels, please ensure someone has access to your mail, with particular attention to correspondence from the CRA.

CRA AUDITS

In our opinion, the CRA is increasingly active with full scope audits of certain areas of taxpayer's tax returns (real estate; business; carrying charges; etc.). When asked to provide assistance in such situations, it is understood that we will be billing you at our standard hourly rates. We suggest you keep this in mind when seeking our assistance with CRA matters in order to avoid unpleasant surprises. It is also important to note that our fees will apply whether or not our involvement yields favorable results with the CRA. Because of the uncertain nature and unpredictability of CRA audits, we will not be able to provide fixed fee estimates at the start of the audit.

Our fees to prepare your tax return exclude any services pertaining to CRA audits, objections, appeals, etc.

HARMONIZED SALES TAX

If you are self-employed and require us to prepare your 2024 HST return, please indicate so below.

Please prepare my business's 2024 HST return (Please mark ✓)

METHOD OF PAYMENT TO CRA

If your return shows a balance owing, it must be paid on or before **April 30th**. You can pay the balance online or at most financial institutions in person using the T1 Remittance voucher (can be requested from our office). Alternately, you can mail the T1 Remittance voucher and a cheque, made out to the Receiver General, to CRA. Please write your social insurance number on the back of your cheque.

ADJUSTMENTS TO TAX RETURN

If additional information or facts arise subsequently to filing your tax return, you will need to file a request for adjustment to your return with CRA. If you seek our assistance for such requests, minimum fees of **\$60 plus resource time** will apply.

COMPLETENESS OF INFORMATION

By signing this letter, you are expressly confirming that you are providing all information with respect to income earned in 2024, and all the deductions you wish to be claimed were incurred for the purposes of earning income.

BY SIGNING BELOW, YOU CONSENT TO THE FOLLOWING:

- Having all filings made by Numeracy Accounting Solutions Inc. on your behalf be transmitted electronically to the CRA (and, if applicable, Agence du Revenu du Québec). This includes personal tax, information slips and any other documents that can be transmitted electronically, such as an HST return;
- Being included on our e-mailing list for sending information about your taxes, important dates and reminders;
- To all terms included in this letter;
- If booked an appointment and accepts it but due to some reason not able to join and forgot to inform Numeracy Accounting Solutions in advance then the meeting will be chargeable at the resource rate.

In connection with this engagement, we may communicate with you or others via telephone, post, courier, and email transmission. As all communications can be intercepted or otherwise used or communicated by an unintended third party or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that communications from us will be properly delivered only to the addressee.

Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of communications transmitted by us in connection with the performance of this engagement. In this context, you acknowledge that we bear no responsibility for any harm or loss suffered by any individual or entity arising from: communications, encompassing consequential, incidental, direct, or indirect damages; special damages, such as the loss of anticipated profits or revenues; or the disclosure or communication of confidential or proprietary information.

Personal Taxes Checklist

Personal Information

- Change in Address
- Update Dependent Information
- Change in Martial Status
- Property owned outside Canada *100K
- Sale of Property (Personal or Investment)

Business

- Business Expense Spreadsheet
- Details of Capital Expenses
- Access Code for HST filing
- Payroll Information

Employment Income

- T4 - Employment Income
- T4PS - Profit Sharing
- T2200 - Employment Expenses Statement
- T777 - Employment expenses
- Apprentice - Tool/Supplies bills
- Stock Options
- Professional/ Union Dues

Others

- Donations
- Medical
- Child Care Expenses
- Moving Expenses
- Meals and Lodging Deduction
- Tuition Slips
- Ontario Staycation Credit
- Ontario Seniors Care at Home Tax Credit
- Senior's Home Safety Tax Credit
- First Time Home Buyer's Tax Credit
- Digital News Subscription Tax Credit
- Eligible Educator School Supply Tax Credit
- Adoption Expenses
- Medical Expense Tax Credit (for surrogacy and other expenses)
- Rent/ Property Taxes
- Spousal/Child Support Income
- Home Buyers Plan
- T4E - Unemployment Income
- T2201 - Disability Tax Credit
- Adoption of Child Expenses
- Interest on Student Loans
- Copy of Last year's taxes and Notice of Assessment

Investment Income

- T3 - Trust Income
- T5 - Investment Income
- T5008 - Statement of Securities Transactions
- Interest Paid to earn investment income
- Management Fees
- Investment Counseling Fees
- Sale of an Investment Property

Pension Income

- RRSP Contributions Slips
- T4RSP - RRSP Withdrawal
- T4A(OAS) - Old Age Security Income
- T4AP - Canada Pension Plan Income
- T4A - Pension Income
- T4RIF – RIF Withdrawal

Rental Income

- T776 - Rental Income and Expenses
- Details of Capital Purchases

Fee Schedule


The following outlines the fees associated with our services.

Resource Hourly Rate	Rate Per Hour (Minimum 15 min charge for each interaction)
Tax Partner	\$249/hour
Senior Account Manager	\$125/hour
Corporate Bookkeeper	\$85/hour
Sole-Proprietor Bookkeeper	\$75/hour
Administration	\$60/hour
Filing Type	Rate
Corporate Tax Return - Activity	\$1,500
Corporate Tax Return - Zero Activity	\$449
Certificate of Dissolution	\$397
Notice of Reader	\$750
Annual Form 22 Filing	\$50
HST filing	\$50/ return
Master Business License	\$200/each
Self-Employed Business-T2125-Statement of Business	\$250/schedule
Self-Employed Business - Additional Business Vehicle	\$20/vehicle
Rental Property - T776	\$120/property
Business, HST or Payroll Account Registration	\$150/each
T4 Summary (includes one T4 slip)	\$185
Personal Tax Return - Basic T1 - Efile	\$155
Personal Tax Return - Basic T1 Paper Return	\$195
Form Filing	\$60/hour + Resource Time
Additional schedules such as S3, T5008, T5013 and carrying charges	Starting from \$20/schedule
CRA Review Response	\$60/hour + Resource Time
T777 - Employment Expenses	\$75
Meals and Lodging	\$75
Moving Expenses	\$100

The arrangements outlined in this letter will remain applicable from year to year unless changed by either you or us in writing. If you agree with the above terms, please sign and date this letter at the top of page 8, and return it to us.

If you have any questions concerning this matter, please do not hesitate to contact us. Yours very truly,

Yours very truly,



Hashim Chaudhry

Numeracy Accounting Solutions Inc.

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905-789-8827

Admin@numeracyaccounting.com

www.numeracyaccounting.com



IMPORTANT – SIGNATURE PAGE!

I agree with the terms and conditions set out in this engagement letter. This section must be signed by the main contact person, retaining Numeracy Accounting Solutions Inc. for personal tax services.

Date

Please PRINT name

Signature

The following are other individuals covered by the terms of this letter. In addition to agreeing to the terms contained in this letter, each of these individuals must sign to consent to Numeracy Accounting Solutions Inc. discussing their tax situation with (insert name of main contact person)_____ and to Numeracy Accounting Solutions Inc. releasing their tax information (final package) to this individual.

NOT APPLICABLE – only the main contact person above is retaining the services of Numeracy Accounting Solutions Inc. (Please mark v)

	<i>Please print the full name</i>	<i>Email Address</i>	<i>Each individual requires a signature</i>
1	_____	_____	_____
2	_____	_____	_____
3	_____	_____	_____
4	_____	_____	_____
5	_____	_____	_____
6	_____	_____	_____
7	_____	_____	_____
8	_____	_____	_____
9	_____	_____	_____
10	_____	_____	_____

If you moved at any time during 2024, please provide your new address. Leave this section blank if the address on your 2023 tax return still applies for 2024.

No. Street Name

City

Postal Code

Telephone Number