

<Date>

<Company Name>

<Address>

<City, Province>

<Postal Code>

Attention: <Owner first & last name>

Dear <Owner first name> ,

This letter confirms the terms of the appointment of Cody & James CPAs as your company's bookkeeper and it outlines the terms, nature, and extent of the services we will be providing.

We will perform such accounting and bookkeeping functions as are required to maintain your accounting records in a proper manner. We will provide draft interim financial information, but we will not produce formal financial statements or income tax returns during this engagement. Should you require that financial statements or income tax returns be prepared, a separate engagement would be required.

It is our responsibility to perform your bookkeeping services correctly according to GAAP and the information that you have provided. The services provided under this engagement are not designed to detect fraud or error; although we may ask you for clarification of some of the information.

It is your responsibility to provide us with all the information required to prepare complete and accurate financial records, including support for HST ITCs being claimed. You should retain all the documents, cancelled cheques and other data that form the basis of your income and deductions. These will be necessary to prove the accuracy and completeness of the figures in the event of a review by CRA. You have the final responsibility for your financial records and, therefore, you should review the draft interim financial information carefully after we provide them to you.

Subject to the elements of the engagement noted below, we can maintain a general ledger, an accounts receivable ledger, an accounts payable ledger and a payroll register for your company. You will review and approve all journal entries, transaction classifications and account codes determined or changed by our firm.

Without limiting the extent of the work we may provide for you, our staff will perform the following functions at the specified intervals (check the appropriate interval and strike out any functions which do not apply):

BOOKKEEPING:

Weekly Bi-weekly Monthly Quarterly Annually

- Produce/record cheques for payment of supplier accounts from invoices provided and coded by you;
- Record sales and taxes collected from invoices prepared by you/Attar Metals;
- Record bank transactions from bank statements and deposit records as provided;
- Post other transactions from information provided by you;
- Provide you with an updated QuickBooks file when you request; and
- Provide you with draft interim financial statements from QuickBooks.
- Other services as indicated in the Bookkeeping Requirements in Schedule A.

Monthly Quarterly Annually N/A

- Prepare GST/HST return.

PAYROLL:

Weekly Bi-weekly Monthly Other _____

- Produce payroll paystubs for your approval;
- Produce reports/record payments for payroll deductions and benefits; and
- Produce Records of Employment as required.

Annually

- Prepare employee T4s for distribution
- Prepare and submit T4 Summary to CRA

Our fees are based on the complexity and nature of the work and the degree of responsibility and skill required. Our typical rate for bookkeeping is \$45.00 per hour. Any significant disbursements will be added to the invoice. If the work is to be performed at your place of business a charge for travel time and costs will be added to the invoice. High-end accounting services provided by a partner (e.g. tax planning, financial analysis, etc.) are billed at \$125.00 per hour.

All invoices must be paid before the next period's work can proceed, unless other arrangements have been made in advance. A monthly finance charge (currently 9% on an annual basis) applies to overdue accounts.

In order to complete our engagement, we will require access to certain personal information. You hereby represent to us that you have obtained all consents that are required under applicable privacy legislation for the collection, use and disclosure to us

of personal information. We will manage all personal information in compliance with our Privacy Code.

The above terms will remain in effect from year to year unless amended in writing by both parties or terminated by written notice from either party. Upon termination of this engagement, we will invoice you for any unbilled fees and expenses. Further, you agree to pay your account to the date of termination upon receipt of our invoice.

I will be pleased to discuss the contents of this letter with you at any time, and to explain the reasons for any items. If the above terms are acceptable to you, and the services outlined are in accordance with your requirements, please sign the copy of this letter in the space provided and return to it to me.

Yours truly,
Cody & James CPAs Professional Corporation
Per:

Gwyneth James, MBA CPA, CGA
Senior Partner

The services set out in the foregoing letter are in accordance with our requirements. The terms set out are acceptable to us and are hereby agreed to.

[Client's signature]

[Name and title]

[Client's signature]

[Name and title]

INTERNAL USE ONLY:

Bookkeeping documents

- Business Client Questionnaire
- RC59 Authorization to Represent

Payroll documents

- Payroll Summary Sheet
- Employee Form(s)
- WSIB Authorization
- TD 1(s) for current year
- ROE Client Consent Form

Schedule A

BOOKKEEPING REQUIREMENTS

		Bronze	Silver	Gold	Platinum
<input type="checkbox"/>	1. HST Remittance Calculated	✓	✓	✓	✓
<input type="checkbox"/>	2. Bank Reconciliations ¹		✓	✓	✓
<input type="checkbox"/>	3. Sales/Customer Details		✓	✓	✓
<input type="checkbox"/>	4. Open Accounts Receivable			✓	✓
<input type="checkbox"/>	5. Open Accounts Payable			✓	✓
<input type="checkbox"/>	6. Credit Card Reconciliations		✓	✓	✓
<input type="checkbox"/>	7. Inventory Tracking ²				✓
<input type="checkbox"/>	8. Job Costing				✓
<input type="checkbox"/>	9. Class Tracking			✓	✓
<input type="checkbox"/>	10. Business Use of Home	✓	✓	✓	✓
<input type="checkbox"/>	11. Business Use of Personal Auto	✓	✓	✓	✓
<input type="checkbox"/>	12. Fixed Asset Schedules	✓	✓	✓	✓
<input type="checkbox"/>	13. Loan Amortization Maintenance			✓	✓
<input type="checkbox"/>	14. Tax Planning				✓
<input type="checkbox"/>	15. Remote Access (QBO)	✓	✓	✓	✓
<input type="checkbox"/>	16. On Site			✓	✓
<input type="checkbox"/>	17. Other				

Notes:

1. Bank reconciliations are required for corporations
2. Inventory tracking is not available in QB Online