

## **Terms of Engagement – Jim’s Bookkeeping**

### **Purpose of Engagement**

The engagement offers a customized bookkeeping solution allowing you to select from the following services:

- Process general ledger transactions, including journal entries, where applicable
- Process sales transactions
- Produce a report of outstanding debtors
- Process purchase transactions
- Produce a report on outstanding creditors
- Process cash receipts and cash payment transactions
- Perform bank reconciliations
- Perform reconciliations of contra/clearing accounts
- Assist in a key performance indicator for one nominated area of focus
- Produce a Balance Sheet
- Produce a Profit and Loss statement
- Produce the information to enable the Accountant/relevant person to check the accuracy and lodge the BAS
- Maintain the Business Chart of Accounts in good order

### **Scope of the engagement**

- Engagement period is a once off/ongoing service
- You can terminate the service at any time by giving written notice. This will enable the settlement of any outstanding fees and to properly transition the records back to you.  
We reserve the right to suspend and retain possession of paper and electronic documents if any payments are not made on time.
- The engagement is not an audit, not a review of your business practice nor will one be conducted and, accordingly, no assurance will be expressed
- I/We are not permitted to provide advice other than on bookkeeping techniques and methods. All matters of compliance, Taxation, financial planning, business matters that require specific advice and knowledge should be directed to your Accountant, Financial Planner or Bank
- Unless otherwise agreed, the engagement cannot be relied upon to disclose irregularities, including fraud, other illegal acts and errors that may occur

### **Engagement output**

- The nominated reports (as per your scope of engagement) are
- Produced monthly (unless otherwise agreed)
- Delivered to you at your nominated address

- Solely for your business and do not express any opinion on the solvency or financial capacity of your business
- Not to form the basis for your overall decision making
- Not intended for third party use only for your purpose

### **Fees and billing arrangements**

All fees and accounts must be settled on delivery. All fees outside this scope of engagement are strictly charged out on an hourly basis, with a minimum 2 hour charge. A tax invoice accompanies each processing period's statement presentation. Unless otherwise agreed, 30% of the total engagement fee is required to secure the engagement either on a regular or occasional basis. The correct amount will be documented in the selection of services portion of this letter.

### **Liability**

To the extent permitted by law, our liability for service provided under this engagement is limited to the charges paid by the customer for each service. As the services are intended for your use, you must indemnify us against any claims made by third parties which relate in any way to the services we provide.

### **Continuous service**

Jim's Bookkeeping aims to provide sound, professional and consistent service. Should your primary service provider be unavailable at any time due to sickness, holidays, or other unforeseen and uncontrollable circumstances, another Jim's Bookkeeper should be able to continue provision of services with minimal interruption.

### **Privacy**

Information will not be given to a new Accountant or a third person without permission from you.

Information will not be given to another Accountant without the previous Accountant signing over to the new Accountant.

Business issues will not be discussed away from the business.

Jim's Bookkeeping is bound by the Commonwealth Privacy Act 1988 to protect your privacy. Personal information given by you may include your name, address, telephone /mobile numbers, email address and bank accounts. This information is only used in order to provide a service. Your information may be used to market other services that may be of interest to you but only with your permission.

### **Ownership of Documents**

The financial statements – Balance sheets, Profit/Loss for example 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 such as working papers, draft documents and approved electronic backup will remain our property at all times.

If our services are terminated, we shall be entitled to retain all documents owned by you until payment is received in full of all outstanding fees. Where copies of any documents released to you are required for our records, you will be charged for the cost of photocopying.

#### **Client Responsibilities**

- Furnish all business transactions completely to Jim's Bookkeeping
- Ensure the accuracy of transactions
- Third party reliance on any record of transactions or book of accounts
- Copies or original deposit and payments books
- Ensure your books are available at the appointed date/time

#### **Jim's Bookkeeping responsibilities**

- The efficient processing of all contracted services
- Provide obvious account discrepancies when they arise
- Liaise with your accountant when appropriate
- Fixed price monthly charge
- Any additional charges are notified and agreed as soon as possible