

accounting and bookkeeping

This schedule should be read in conjunction with your engagement letter and the [terms of business](#).

1. Your responsibilities

- 1.1. You have undertaken to make available to us, as and when required, all the accounting records and related financial information, including minutes of management meetings, which we need to do our work.
- 1.2. You will provide us with all information and explanations relevant to the purpose, preparation and maintenance of the accounting records, and you will disclose to us all relevant information in full. You are responsible for preparing financial statements which give a true and fair view and which have been prepared in accordance with the Companies Act 2006 (the Act).
- 1.3. You must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company.
- 1.4. You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the business or for the accounting records, is accurate and complete.
- 1.5. You are also responsible for ensuring that the activities of the business are conducted honestly, and for safeguarding the assets of the business and for taking reasonable steps to prevent and detect fraud and other irregularities.
- 1.6. You will be responsible for providing us the documentation, explanations and details on which the prime entry accounting records can be made.

2. The services

- 2.1. Responsibilities for preparation and maintenance of accounting records is as follows:
 - 2.1.1. Our responsibilities: We have agreed to carry out the accounting services on your behalf as set out in our engagement letter, under the services summary.
 - 2.1.2. Your responsibilities: You have agreed to carry out the accounting services as indicated in our letter of engagement, under the services summary.
- 2.2. In respect of the services detailed in the services summary we note the following points:
 - 2.2.1. Management accounts will be provided at each period end (frequency as defined in services summary), presented for your review and approval. All information will be provided from accounting system reports.
 - 2.2.2. Where we maintain the accounting records on your behalf (as indicated in the services summary) we will process up to the number of transactions defined in the services summary. Where volumes exceed those agreed a fixed monthly add-on will be required for the increased volumes, this will be communicated with you in advance of any change in fees.
 - 2.2.3. One transaction is defined as any of the following:
 - A purchase invoice (and associated payment entry)
 - A sales invoice (and associated receipt entry)
 - A journal (e.g. monthly payroll, accruals adjustments, fixed asset depreciation etc.)
 - 2.2.4. Your business advisor will attend a meeting to discuss the management accounts, general business performance and other business related matters (frequency as defined in services summary).
- 2.3. Year-end trial balance, profit and loss, balance sheet and supporting schedules will be prepared and available as required.

3. Accounting system

- 3.1. Where the company is responsible for the license and updates to accounting system:

- 3.1.1. We will work with you to give the permitted flinder users access to your accounting system by providing you with details of the permitted users that will require access to your accounting system you will set-up these users providing us with access and any access codes in a timely manner.
- 3.1.2. We will monitor the access rights of the permitted users on an on-going basis and immediately tell you if any changes to the permitted users are required.
- 3.1.3. The permitted users will comply with any IT policies you provide to us in writing.
- 3.1.4. We will work with you to determine the best way for the permitted users to access your accounting system securely but you agree to enable access (preferably via a flinder laptop using the cloud). Any additional costs in providing this access will be borne by you.
- 3.1.5. You will provide at least one month's advance notice of any planned changes or upgrades to your accounting system so together we can determine if there is any impact on the services that together we need to consider and plan for.
- 3.1.6. You will provide copies of all documentation you have in relation to your accounting system to enable the permitted users to operate your accounting system in terms of design, business process maps, user guides/manuals and training material. Where sufficient operating documentation does not exist you will be required to provide training to the permitted users.
- 3.2. Where flinder is responsible for the license and updates to accounting system:
 - 3.2.1. We will work with you to determine the best cloud based accounting system for you but note any associated license cost will be added to your monthly invoice. Where flinder receives a discount for having multiple licenses, we will pass this saving to on to you.
 - 3.2.2. We will give the permitted users selected by you access to the accounting system. You must provide their relevant details and the level of access you would like them to have.
 - 3.2.3. We will monitor the access rights of the permitted users on an on-going basis but you must immediately tell us if any changes to the permitted users are required.
 - 3.2.4. We will assume your staff have the appropriate knowledge and skills required to use the cloud based accounting system. We will consider this in our determination of the best system for you.
- 4. Out of scope**
 - 4.1. We will not audit the accounting records or management accounts.
 - 4.2. We will have restricted access to your bank, being unable to authorise or execute any payments.
 - 4.3. We will not provide accounting system training to your staff. We can provide this if required and the scope of work and fees will be agreed in writing with you before this is commenced.