

[Date]

[Client Name]  
[Client Address]  
[City, State, Zip Code]

Dear [Client Contact Name],

This letter confirms the terms of our engagement and the nature of the services [Firm Name] will provide to [Client Name] for the fiscal year ending [Date].

## 1. Scope of Services

We will provide the following services:

- **Bookkeeping:** Recording of financial transactions, bank reconciliations, and maintenance of the general ledger on a [Monthly/Quarterly] basis.
- **Payroll:** Processing of employee paychecks, direct deposits, and filing of required federal and state payroll tax returns.
- **Financial Reporting:** Preparation of unaudited internal financial statements for management use.

## 2. Client Responsibilities

The management of [Client Name] is responsible for:

- Providing accurate and timely financial data and source documents.
- Establishing and maintaining internal controls.
- Making all management decisions and performing all management functions.
- The accuracy of the information provided for payroll processing, including employee hours and tax information.

## 3. Fees and Billing

Our fees for these services will be [Amount] per [Month/Hour]. We will bill you on a [Monthly] basis, and invoices are due upon receipt. A deposit of [Amount] is required prior to commencing work.

## 4. Term and Termination

This engagement begins on [Start Date]. Either party may terminate this agreement at any time by providing [Number] days written notice.

## 5. Limitation of Liability

Our work does not include an audit, review, or examination of financial statements in accordance with GAAS. We will not verify the information you provide for accuracy or completeness.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our services.

Sincerely,

[Your Name/Signature]

[Firm Name]

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**Accepted by:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_