

**Your Client Name**

**Your Customized Bookkeeping Proposal**

**Introduction**

Dear Client Name,

Thank you for taking the time to speak with us regarding your business needs. Through effective audit tools, resources, and procedures, Your Company Name here commits to delivering high-quality professional bookkeeping and business consulting services in a timely manner.

With a focus on applying technology and a fresh way of thinking to each client engagement, Your Company Name here has been helping clients over the past 13+ years by delivering objective advice and expert guidance in compliance, record, bookkeeping, and consulting services.

We employ a wide range of tools and skills to develop a comprehensive strategy to meet

your business and accounting needs.

Please review the below proposal and comparison tables and select the plan you wish to

move forward with. Once you select your price plan, the amount at the bottom of the page

will populate your selected services. You can always get in touch with us if there is a need.

We look forward to welcoming you.

If you have any questions or concerns about this proposal, please don't hesitate to contact

us at support@mycbs.ca or call 613.480.5024.

Sincerely,



Tanya Hilts, CPB, AIA, Level 5 Certified Advisor

Cloud Accounting Technology Specialist

President, Cloud Business Services

**Scope of Services**

**Research**

We did a little research for you free of charge. Did you know that 65% of small businesses that fail, admit to financial mismanagement as the reason for their collapse? A small-business owner who isn't current on their financials is at a substantial disadvantage in more than just funding applications? It's impossible to run a successful business without knowing where your money is coming from and where it is going.

In addition to strengthening your business with financial management support, we use

industry-leading tools to discover more about your business's financial activities. We dive into your processes to discover what's working well and identify what can be improved on.

**Strategy**

While our main focus is on compliance, we also offer business strategy services and insights to be able to help you further. We pride ourselves on finding solutions to your pain points, which will allow you to focus on what you do best.

**Measurement and Key Performance Indicators**

No business is the same. Depending on the plan you select, we can work with you to ensure you reach your goals and we measure the effectiveness of your business against those goals with meaningful KPIs.

**CRA Audits & Reviews**

Our CRA audit and review experience dates back to 1997. We are so confident that we can audit-proof your books, that as long as you follow our recommendations regarding compliance, and are on a plan that we are handling your books (excluding any DIY or support plans), we will waive our $199 per hour, regular out-of-scope charge and handle any CRA reviews or audits for you completely free.

**Your Custom Pricing**

**Ensure to select your service plan options below before signing**

**the agreement. All prices are shown before applicable taxes.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Selection | Description | Price | Qty | Subtotal |
|  | **Compliance**  Custom price based on:   * 1 Chequing account, 1 Savings account, 1 Credit Card * 1-50 Receipts average/month * Quarterly HST filing | $500/Month | 1 | $500/Month |
|  | **Insights**  Custom price based on:   * 1 Chequing account, 1 Savings account, 1 Credit Card * 1-50 Receipts average/month * Quarterly HST filing | $750/Month | 1 | $750/Month |

**Onboarding Approach**

**Kick-Off/requirements Documentation**

We will require some information, documentation, and forms signed to give us what we need to get started. We will work on collecting this within the first week.

**Review of Internal Processes**

Our review of your internal controls will help us to understand your financial operations and processes. After completing our internal control analysis we’ll begin to design our procedures to work with your external software and your processes. We’ll work closely with you to plan the various time schedules and reports we’ll require. As a part of our review and documentation of the internal controls, we may have suggestions to enhance the controls. These recommendations will be discussed with management. The review of internal control includes, but is not limited to:

* Disbursements, Receipts
* Income reporting
* Payment methods you accept
* Payroll (if applicable)
* Financial compliance
* Financial reporting
* IT and general computer controls

**Financial and Compliance Review**

The process of financial and compliance is where we conduct specific tests on the account balances and transactions that involve the financial statements. These procedures will include various tests for confirming balances and transactions with third parties, review of documents supporting balances and transactions, and other procedures.

We may provide recommendations or make changes in order to ensure your financial information meets the required compliance criteria. These will all be discussed with management.

**Reporting Review**

The process of reporting will be to determine what information you want to see and what you should be seeing to ensure that you have access to the relevant information for effective decision-making.

**Onboarding Timeline**

To complete the work outlined in the project scope, we'll need approximately six weeks from the going live date, depending on feedback at each milestone. Upon signing the proposal, we are prepared to start work immediately.

|  |  |
| --- | --- |
| **Phase** | **Anticipated Timeline** |
| Kick-Off / Required Documentation | Week 1 |
| Discovery Review | Week 2 |
| Presentation of Review Findings / Confirmation of Price | Week 3 |
| Kick-Off Meeting | Week 3 |
| Process Review & Strategy Development | Weeks 4-6 |
| Conduct weekly meetings (Business Basic Plan includes only monthly meetings) with management to discuss, document and agree upon the recommended processes and methods of communication to ensure you are set up for success. | Weeks 3-15 |

**Why Us**

With more than 20 years of experience, Cloud Business Services is proud to be a forward-thinking, multi-award-winning team.

Our team took home Intuits' 2018 (and final) Global Firm of the Future title as recognition for leading the way within the accounting industry in the new age with online apps and real-time accounting to be able to serve our clients better and prove that we are more than just bookkeepers, we are also Cloud Accounting Technology Specialists.

At Cloud Business Services we build strong relationships based on a deep understanding of what matters to our clients. It is our strong and collaborative approach that differentiates us.

Our team is backed by an experienced team and aims to render quality professional services to our clients. Our entire front and back-office team members are all Advanced Certified ProAdvisors through QuickBooks Online. We firmly believe that when our clients succeed, we succeed.

**Terms & Conditions**

**Between “Us”, Cloud Business Services, further referred to as “the contractor”, and “you”, The Family Business, further referred to as “the client.”**

The purpose of this letter is to confirm the nature of the professional bookkeeping services that the contractor has been engaged to provide you as well as our respective obligations and responsibilities.

1. **Bookkeeping Compliance**

* Within applicable plans, you will provide us with the accurate and complete information necessary to make all entries of account in your bookkeeping records and if applicable, to compile the financial statements. The sole responsibility for the accuracy and completeness of the representations in the financial statements remains with you.
* All revenue and expenses of the company will be disclosed to us. All expenses are reasonable and were incurred for the purposes of earning income and are properly attributable to the company.
* The information and source documentation required to complete our engagement will be provided to us well in advance of any reporting or remitting deadlines.
* The client will, on a monthly basis review all cheques processed and returned by the financial institutions with whom you deal and immediately alert us as to any concerns you may have as to the legitimacy of any amount, payee, or signature present upon those cheques.
* Incomplete or inaccurate information provided to us will affect our ability to perform the services being retained. During the course of this engagement, we may seek from you, additional information together with written confirmation of significant representations in accordance with our obligation to document this evidence.

1. **Monthly Services**

* Your fixed pricing is customized for your company based upon the services your company requires and the services you want us to provide to you.
* You can expect a basic annual increase of 5% to cover increasing costs. Any additional increase will be based on your company's current needs and volumes.
* We will perform regular file reviews in which we will re-exam any change in the scope of services provided to you as compared to your last pricing agreement. Any changes to your price will take effect only upon our mutual agreement. You will receive a new agreement for your review and acceptance.

1. **Government Compliance**

* We will work within government compliance. With applicable plans, where we are processing the receipts, we must have the actual receipt showing the description of the purchase, date of purchase, supplier name, supplier GST/HST number, the total amount paid, and the total GST/HST amount.
* Non-compliance with government regulations puts not only yourself as a business/individual, but also us as a bookkeeping firm in jeopardy of fines, penalties, or in extreme cases, jail time.
* Should you not be able to provide a receipt showing the complete information as described above, we will defer to you for written direction on how to classify the expense(s) in question, however, you will be ineligible to claim the GST/HST on this expense without the receipt. Please be aware that any item without a receipt will be denied as an expense in the case of any CRA review or audit, and may put you at risk for out-of-scope services that we may handle on your behalf.

1. **Unanticipated Services**

* Should any unanticipated work beyond the scope of this plan arise (such as, but not limited to, an audit by a taxing agency, a financial statement audit or compilation required as part of a lender financing agreement, or any other exogenous service not anticipated in the agreement) we will mutually agree upon a price and issue a change order agreement in advance of any work being performed. The change order invoice will be issued separately.

1. **Onboarding / Diagnostic Review Fee**

* We have agreed to waive our regular onboarding fee of $2,500.00 providing that you retain our services for a minimum of twelve months. Should you decide to terminate our services within the first 6 months, you will be billed for the full conversion fee. Should you decide to terminate our services between six months and twelve months, you will be invoiced for 50% of this fee.
* When we perform a Diagnostic review, you will be eligible for 50% of the review fee back as a credit over your first 12 payments. In some cases where the books are extremely clean or less information to go through, you will be eligible for an additional credit of up to 25% of your fees.

1. **Terms of Payment**

* The Initial Work will start after the first payment amount has been received by the Client in full.
* The contractors’ compensation shall be paid according to the fee described for each phase in the “Fee Outline” section
* Your payment will be withdrawn from your bank account on either the 1st or the 15th of each month by pre-authorized debit. An NSF fee of $55 will apply. We reserve the right to pause the work if the payment method is declined.
* In case of delay of payment, the Client is obliged to pay an extra fee (penalty) of 0.3% of the total outstanding amount for every day of delay.

1. **Confidentiality**

* During the course of our engagement, we may also have access to the personal information of your employees or third persons within your custody. You confirm that in maintaining this personal information you have complied with all applicable statutory and other legal obligations of privacy. This includes informing your employees or third persons within your custody that we have access to their personal information. We will hold any such personal information in complete confidence.

1. **Hardware and Software**

* Software used to complete work on your file may extend beyond the main bookkeeping software and apps outlined within your price. Any additional software that the contractor uses within the scope of completing the work on your file will not be charged out to you and is for back-end purposes and used as a tool to assist us in ensuring accuracy, efficiency, diagnostic services, and/or tracking purposes. The cost for any back-end software will be fully absorbed by the contractor as an operating expense.
* Installation of computer or technological hardware, software apps, communications, or services by our company. Warranties, to the extent they exist, are provided only by the manufacturer/software developer/vendor of those computer products/services. We will do our best to provide appropriate recommendations when available, but the final decision and responsibility to purchase any computer products is at your sole discretion.

1. **Limit of Liability**

* You agree that neither we nor our professional staff shall have any liability, in contract or tort, negligence or otherwise, for failure to detect and report to you any fraud that may be occurring or have occurred within.
* You agree that our liability for all claims you may have or bring in connection with any professional services rendered arising out of or ancillary to this agreement shall absolutely cease to exist after a period of two (2) years from the date of the specific service or book-entry giving rise to the claim, regardless of whether you were aware of the potential for making a claim against us within that period. Following the expiration of the two (2) year period, you agree that neither you, your agents, or assigns shall make any claim or bring any proceeding against us.
* You hereby agree that any liability of us under this agreement, regardless of the form of action, shall be limited to the most recent monthly billed amount for services agreed to here-under as its exclusive remedy. You agree that you shall not make any claim against us beyond such amount of monthly account, and we may rely on this paragraph as a complete bar to any such claim.
* More specifically, you agree that we are not, and shall not be deemed to be liable for any losses resulting from advice, forms, publications or documents we provided you, or any work we have completed, or subcontracted to another party for your loss of profits or of any other party which may flow therefrom, whether it be direct or incidental, whether or not they have been advised of the possibility of such damages, and you acknowledge and agree to the same hereto.
* Neither party may bring any action arising out of the services under this agreement, regardless of form, more than one year after the date of the last services provided under this agreement.
* You expressly agree that any and all claims, whether in contract, negligence, or otherwise known to law arising out of our professional services under this engagement vest exclusively in the clients’ business, and you agree to wholly indemnify and hold harmless our firm and its professional staff from any and all claims that may be brought against our firm or its professionals by any shareholder, director or officer of the client in any way arising out of or connected to our services provided to you.

1. **Indemnification and Non-Disclosure**

* You agree to release and hold us, (our subcontractors, partners, executors, heirs, successors, and assigns) harmless from any and all liability and costs resulting from any known misrepresentations or fraud participated in by you or your employees or representatives, or such errors resulting from incomplete and inaccurate information being provided to us by you or your employees or representatives, and such indemnity shall not be limited to the term of this contract, but shall be ongoing even after its termination.
* You also acknowledge that we, in the course of our work, may view or otherwise come into contact with information you consider confidential. In such a case, we undertake to keep such information confidential subject to governing law, jurisprudence, and/or order of a court competent, jurisdiction and you agree that no action can be taken against us as a result of our view or contact with the confidential information unless we fail to honor our undertaking as defined in this paragraph.

1. **Our Staff and Independent Contractors**

* You agree that you will not during the course of this engagement, and for a period of twenty-four (24) months following the date of termination of this engagement, whether for your own account or for the account of a third party, directly or indirectly, offer or cause to be offered to any of our employees or independent contractors, a new position or engagement with any other person. You also agree that you will not solicit or otherwise provide employment to any of our staff within six months of their leaving our employ.
* In the event that you do so, you agree to pay us as liquidated damages an amount equal to our gross invoices rendered to you during the immediate past two years, or $10,000, whichever is the greater.

1. **Capacity / Independent Contractors**

* In providing services under the Agreement, it is expressly agreed that the contractor is acting as an independent contractor and not as an employee. The contractor and the client acknowledge that this agreement does not create any partnership between them, and is exclusively a contract for service.

1. **No Exclusivity**

* The parties acknowledge that this agreement is non-exclusive and that the contractor will be free during and after the term to engage or contract with third parties for the provision of the same services.

1. **Termination**

* Either party may terminate this relationship on thirty (30) days written notice to the other, including email notification, provided that such notice has been received, unless otherwise agreed to between both parties. All unpaid and outstanding services will be billed to you on the date of termination and are to be paid in full within 10 days from the date of termination. Upon termination of services, we will provide you with a list of outstanding items, any work that will not be completed as well as for instructions on how to transfer any software billings.
* It is the responsibility of the client to ensure that the contractor and any of the contractors’ team members, have been fully removed as a user from any software you continue to use. It is also the responsibility the client to remove the contractor and any of the contractors’ team members from any other business account that the contractor may have acted as your representative or been given access to which includes WSIB and Service Ontario.
* Some professional services may remain unfinished, it is important to remember that some of these matters are time-sensitive and require completion and/or filing by a certain date. If these matters are not completed by the government due dates, there may be adverse consequences, such as monetary penalties and interest assessed by the governing bodies, or the loss of subsidies available. It is the clients’ sole responsibility to ensure that these matters are completed and/or filed in a timely fashion, and, as stated above, the contractor is not responsible for completing these tasks or ensuring their timely completion or delivery. The contractor will provide you with a list of the services and filing dates at the time of termination of services.
* The client will reimburse the contractor for all costs or expenses incurred if the contractor is called upon at any time in the future to respond to inquiries from 's affiliates, creditors or shareholders, any governmental agency, or as the result of receiving formal legal process such as but not limited to, a civil, criminal or Grand Jury subpoena seeking testimony or documents, or an information subpoena.
* The client will be responsible for reimbursing the contractor for all reasonable attorneys' fees incurred and will compensate the contractor for all time expended responding to any such inquiry at the contractors' normal consulting rates at the time services are provided.
* The contractor will be available to answer any questions your new accounting team may have for up to 1 hour as a complimentary service, providing you have not selected a DIY plan. Any additional time will be billable with an upfront retainer required, at the contractors' normal consulting rates at the time services are provided. This time is not to be used to train your new accounting team on software or compliance, nor to defend any reason as to why certain software or processes were selected by the contractor.

1. **Amounts Paid**

* Unless the client disputes any amounts due or paid, within 30 days of the date of the original invoice, it will be assumed that the client agrees that all amounts paid to the contractor for professional services relate to services already performed by the contractor were properly due and paid.

1. **Applicable Law**

* This engagement letter shall be governed as to validity, interpretation, construction, effect, and in all other respects of the laws and decisions of the state/province of the contractor. In the event of commencement of any legal action regarding any term or condition of the engagement, such action by agreement is to be subject to the jurisdiction of the courts of the state/province of the contractor and its political subdivisions.

1. **Other Matters**

* We would be pleased, at your request, to undertake any other work to assist you that is not inconsistent with our role in undertaking this engagement. The limitations of our liability as set out above under the heading *Limitation of Liability* shall apply equally to all additional work undertaken by us.
* Our fees will be determined on the basis of time spent on this engagement as well as may vary depending on the type of work performed and will be billed on an ad hoc basis at a rate that you agree upon in advance. Any disbursements that we incur on your behalf will be included in the accounts that we submit. There will be a change order issued and will require to be accepted for any such projects or additional work. This change order will include scope, parameters, price, and payment terms.
* In the event that you are a party to any legal proceedings and we are required, whether by your consent or under compulsion of law, to provide documentation and evidence in respect of such proceedings, you agree that in addition to paying us for our professional time expended at our normal hourly rates that you will wholly indemnify and hold us harmless for any legal fees and disbursements we may reasonably incur in order to respond to such requests and provide such evidence.

1. **Entire Agreement**

* Except as otherwise set forth or referred to in this Agreement, this Agreement constitutes the sole and entire Agreement and understanding between the parties hereto as to the subject matter hereof and supersedes all prior discussions, agreements, and understandings of every kind and nature between them as to such subject matter.
* If any provision of this Agreement is held to be illegal, invalid, or unenforceable under any present or future law, then that provision will be fully severable. In such instance, this Agreement will be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement will remain in full force and effect.

1. **Updates to Terms and Conditions**

* **The contractor,** reserves the right to propose changes to this Agreement that are generally applicable to all customers at any time and will, if such changes are material, provide at least thirty (30) days’ notice prior to any new terms taking effect. What constitutes a material change will be determined in our sole discretion. By continuing to access or use our Services after any revisions become effective, you agree to be bound by the revised terms of the Agreement. If you do not agree to the new terms, you are no longer authorized to use the Services. In the event of a material change of terms, you may terminate the Agreement by giving us written notice within thirty (30) days of our notice of the change of terms and we shall refund to you any pre-paid fees that are applicable to the period after such termination.

**Signing the Proposal**

**IMPORTANT - Please ensure that you have accepted your service plan before signing**

**this document.**

1. Please read the contract on the previous pages to make sure you understand all the details involved with us working together. It's really important to us that everything is transparent and understood from the beginning so that we lay a solid foundation for a great working relationship.
2. If you have any questions at all, please let us know. We're happy to clarify any points and there may be some items that we can sort out together. We're committed to finding the best way to work together.
3. Once you feel confident about everything and are ready to move forward, please sign below.
4. Once we receive notification of your acceptance, we'll contact you shortly to sort out the next steps and get the project rolling.
5. If you'd like to speak to us by phone, don't hesitate to call us at 613-480-5024.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Tanya Hilts, CBP, AIA, Level 5 Certified Advisor

Cloud Accounting Technology Specialist

President & Founder, Cloud Business Services

Dated: Date: