[Your firm name and logo]

[Firm name]
[Firm address]
[Date]
[Owner or manager name]
[Company legal name]
[Company address]
Re: Preparation of [monthly / quarterly / annual] financial statements

Dear [Owner or manager name],

What we will prepare
We will prepare the [balance sheet and income statement / full set of financial statements] of [Company legal name] for [each month beginning (month, year) / the year ending (date)], in accordance with [the cash basis / the income tax basis / accounting principles generally accepted in the United States of America], based on information you provide.

Our responsibilities
We will prepare the statements under Statements on Standards for Accounting and Review Services, AR-C 70. We will not verify the accuracy or completeness of the information you provide, and we will not gather evidence to express an opinion or a conclusion.

What this engagement is not
This is not an audit, a review or a compilation. We will provide no opinion, conclusion or assurance of any kind on the statements, and our work cannot be relied on to detect errors, fraud or noncompliance with laws.

The no-assurance statement
You agree that each page of the statements will carry the words “No assurance is provided on these financial statements.” If that statement cannot appear on each page, we will issue a disclaimer that makes clear no assurance is provided, or we will withdraw.

Disclosures and departures (optional)
[You have chosen to omit substantially all disclosures required by (framework); the statements will say so.] / [The statements will include the following known departure from (framework): (describe), which the statements will disclose.]

Your responsibilities
You are responsible for choosing the framework; for internal control over the records and statements; for preventing and detecting fraud; for the company’s compliance with laws and regulations; for the accuracy and completeness of the records, documents, explanations and significant judgments you give us; and for access to anyone we need to ask.

Records and timing
By the [number] business day after each period end you will send: bank and credit card statements for every account; loan and mortgage statements; your receivable and payable lists; and invoices for asset purchases over $[amount]. We will deliver the statements within [number] business days after we receive the last item. Missing items will be noted on the statements or will delay them, as we agree at the time.

Scope note for advisory clients (optional)
These statements are [the primary objective of this engagement and are prepared under AR-C 70] / [prepared as part of our advisory services under the AICPA consulting standards, CS 100, and AR-C 70 does not apply to them].

Other services
Bookkeeping, payroll and tax return preparation are separate services under separate terms. Any adjusting entries we propose are yours to accept or reject.

Who may use the statements
The statements are for your use. If you give them to a lender or another third party, you will give them with the no-assurance statement on each page.

Fees and ending the engagement
Our fee is [amount] per [month / quarter / year], billed [schedule] and payable within [number] days. Either of us may end this engagement with [number] days' written notice.

Your signature
Please sign and date this letter where shown and return it to us. Work begins when we receive the signed copy.

With thanks,
[Firm name]
[Accountant name], CPA
Signature: _____ Date: _____
Accepted for [Company legal name] by [Owner or manager name], [Title]
Signature: _____ Date: _____