

## PRODUCTION OF ANNUAL FINANCIAL STATEMENTS ONLY

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to the production of the entity's financial statements on an accruals basis in accordance with applicable accounting standards, and to clarify our respective responsibilities in respect of that work.

The entity's financial statements will be prepared in accordance with the accounting basis stated in **Key Facts**. We will then go on to either audit or perform some other assurance work on those financial statements, as stated in **Key Facts** section 2 or 3, or another firm will perform such work on the financial statements.

We will communicate with the person named in **Key Facts** in relation to the entity's affairs having agreed with you that he/she may represent the entity in its financial affairs.

### **1 1 Your responsibilities**

- 1.1 You have agreed that your staff will maintain all accounting records, except as detailed in paragraph 2.4 below.
- 1.2 You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the entity or for the financial statements, is accurate and complete. You are also responsible for ensuring that the activities of the entity are conducted honestly, and for safeguarding the assets of the entity and for taking reasonable steps to ensure the prevention and detection of fraud.
- 1.3 You are responsible for ensuring that the entity complies with the laws and regulations that apply to its activities, for preventing non-compliance, and for detecting any that occurs.
- 1.4 You have agreed to make available to us, as and when required, all your accounting records and related financial information, including any minutes of directors/partnership/management/trustee meetings, necessary to carry out our work. You have agreed to provide us with all information and explanations relevant to the purpose and compilation of the financial statements, and you will disclose to us all relevant information in full.
- 1.5 You will approve and sign the financial statements, thereby acknowledging responsibility for them, including the appropriateness of the accounting basis on which they are compiled, and for providing us with all information and necessary explanations necessary for their compilation. It is your responsibility to ensure that these financial statements give a true and fair view, where appropriate, and have been prepared in accordance with the relevant statutory requirements.
- 1.6 Financial statements need to be completed prior to submission of the tax return. Failure to submit the return on time will result in penalties and is likely to result in interest and surcharges. In order to avoid this, we must have your accounting records by the date stated in **Key Facts**, and queries raised on those accounting records must be answered promptly, otherwise we cannot guarantee the completion of the financial statements to ensure the tax return's timely submission.
- 1.7 You are also responsible for deciding whether, in each financial year, the entity meets the conditions for exemption from an audit, and for deciding whether the exemption can be claimed that year.

### **2 2 Our responsibilities as accountants**

- 2.1 The financial statements are required to enable profits to be calculated to meet the requirements of the relevant tax legislation and that provide sufficient and relevant information to complete a tax return. We will compile the financial statements in accordance with the requirements of relevant laws and regulations.
- 2.2 We will compile the financial statements for your approval based on the accounting records that you maintain and the information and explanations that you give us.

- 2.3 If the entity is a company or LLP and qualifies, under CA 2006 s. 444(1), to file only the balance sheet and associated notes at Companies House, it is assumed that the company/LLP wishes to file the minimum of information at Companies House. Therefore the financial statements for filing purposes will be prepared on that basis unless you inform us otherwise.
- 2.4 Unless stated otherwise in **Key Facts**, we shall carry out the following bookkeeping services:
- (a) write up the accounting records insofar as they are incomplete when presented to us; and
  - (b) complete the postings to the nominal ledger.
- 2.5 We will write to you on or around your year-end date to request the information and records we will need to prepare the financial statements.
- 2.6 Unless stated in **Key Facts**, we will not be carrying out an audit and accordingly will not verify the assets and liabilities of the entity, nor the items of expenditure and income. To carry out an audit would require additional work to comply with International Standards on Auditing (UK) so that we could report on the truth and fairness of the financial statements.
- 2.7 We would emphasise that we cannot undertake to discover any shortcomings in your systems or any irregularities on the part of your employees, although we will advise you of any such circumstances that we encounter in preparing your financial statements.
- 2.8 We have a professional duty to compile financial information that conforms with the generally accepted accounting principles selected by the directors/partners/trustees as being appropriate for the purpose for which the information is prepared. The accounting basis on which the information has been compiled, its purpose and limitations will be disclosed in an accounting policy note to the financial information and will be referred to in any accountants' report.
- 2.9 We also have a professional responsibility not to allow our name to be associated with financial information which we believe may be misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the financial information may be misleading, we will discuss the matter with you with a view to agreeing appropriate adjustments and/or disclosures in the financial information. In circumstances where adjustments and/or disclosures that we consider appropriate are not made or where we are not provided with appropriate information, and as a result we consider that the financial information is misleading, we will withdraw from the engagement. In these circumstances you agree that we have a right to invoice you for our time spent preparing and discussing the financial statements with you and for time spent on any other work that is not completed as a result of our resignation.
- 2.10 To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than you for our work. If you wish, or are asked, to provide a copy of the financial statements to a third party you must seek our consent before you do this. You are not entitled to disclose our work to a third party without our express permission.

## CASH FLOWS/PROFIT FORECASTS

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to the preparation of your cash flows/profit forecasts and to clarify our respective responsibilities in respect of that work.

### 1 Your responsibilities

- 1.1 You agree to make available to us the information we need to prepare the forecast. You agree to make full disclosure to us of all relevant information that may affect the forecast.
- 1.2 You will approve and sign the forecast thereby acknowledging responsibility for it and the estimates and assumptions on which it is based.
- 1.3 We have a professional responsibility to not allow our name to be associated with accounting work that we believe may be misleading. We are not required to search for such matters, but if we become aware that information in the forecast may be misleading we will discuss this with you so that appropriate adjustments or disclosures can be made. Where the adjustments or disclosures we consider appropriate are not made and we consider that the forecast remains misleading, we will withdraw from the engagement. In these circumstances, you agree that we have a right to invoice you for our time spent in preparing and discussing the forecast with you as well as time spent on any other work that is not completed as a result of our resignation.
- 1.4 Our report is prepared solely for the confidential use of yourselves. Our report must not be recited or referred to in whole or in part in any other document. Our report must not be made available, copied or recited to any other party without our express written permission. We, your accountants neither owes nor accepts any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our report.
- 1.5 You are responsible for the following general business and financial matters:
  - (a) ensuring that, to the best of your knowledge and belief, financial information used by your business or for the forecast is accurate and complete;
  - (b) maintaining the accounting records of your business;
  - (c) ensuring that the activities of your business are being conducted honestly;
  - (d) safeguarding the assets of your business and taking reasonable steps for the prevention and detection of fraud; and
  - (e) ensuring your business complies with the laws and regulations that apply to its activities, as well as preventing non-compliance and detecting any that occurs.

#### ***If relevant, further responsibilities for company directors/designated members***

- 1.6 You are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company/LLP and for ensuring that the financial statements comply with the Companies Act 2006 and applicable accounting standards. You are also responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.
- 1.7 You are responsible for safeguarding the assets of the company/LLP and hence for taking reasonable steps to ensure the entity's activities are conducted honestly for the prevention and detection of fraud and other irregularities.
- 1.8 You are responsible for ensuring that the company/LLP complies with laws and regulations applicable to its activities, and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that occur.

### 2 Our responsibilities as accountants

- 2.1 You have instructed us to prepare a business plan/cash flow forecast (hereafter referred to as 'the projections') for your business. The projections will be for the exclusive use of you and, if relevant, the bank, and should not be shown to any other party without our prior written consent.

- 2.2 The projections will be drawn up from information and explanations provided by you, either directly or by way of discussions with you. The work carried out on your behalf will be limited to compiling the projections from the information so provided and presenting it in the appropriate manner to support your application for finance. We will work with you to draw up the appropriate estimates and assumptions necessary, but these will be based on the information provided by you. You will remain solely responsible for such estimates and assumptions and hence for the resulting business plan/cash flow forecast.
- 2.3 As the projections relate to expected future events the actual results will almost inevitably differ from the projections. Those differences may be material. Accordingly, whilst care will be taken to translate the information and explanations provided into meaningful forecasts based on your assumptions, we cannot accept any responsibility for any loss occasioned to any person acting or refraining from action as a result of any material or statements included in, or omitted from, the projections.
- 2.4 You understand that our work will not constitute an audit of the figures and information in the projections and we will not express any opinion thereon. Our report will not extend to any financial statements of the entity taken as a whole.
- 2.5 To ensure that anyone reading the projections is aware of the scope of our work and the fact that we have not carried out an audit, we will annex to the projections a short report explaining these facts. If you wish, or are asked, to provide a copy of the projections to a third party you must seek our consent before you do this. You are not entitled to disclose our work to a third party without our express permission. We may grant consent subject to certain conditions. However, in every situation where we grant consent, then this report must remain attached to any copy shown to the third party.
- 2.6 We would like to emphasise that we cannot undertake to discover any shortcomings in your systems or irregularities on the part of your employees. However, we will advise you if we come across anything of this nature in the course of preparing the forecast.

## MANAGEMENT ACCOUNTS

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to the preparation of your management accounts and to clarify our respective responsibilities in respect of that work.

### 1 Your responsibilities

- 1.1 Unless we have also agreed to carry out a bookkeeping service (see schedule **5.04**), we understand that you have agreed that your staff will be responsible for all the day-to-day accounting work, which includes:
- (a) maintaining records of all receipts and payments of cash;
  - (b) reconciling cash book balances monthly/quarterly with the bank statements;
  - (c) posting and balance the purchase and sales ledgers; and
  - (d) extracting a detailed list of ledger balances.
- 1.2 You will also provide estimates of any stocks at the end of each period.
- 1.3 You agree to make your accounting records and related financial information available to us in line with the requests we make. You recognise that a failure to do so could have an impact on the price or the speed of our work.
- 1.4 Even if we have not directly requested it, you agree to disclose to us in full any information that is relevant to the management accounts.
- 1.5 You will approve and sign the management accounts thereby acknowledging responsibility for them, including providing us with all information and explanations necessary for their preparation.
- 1.6 We have a professional responsibility to not allow our name to be associated with accounts that we believe may be misleading. We are not required to search for such matters, but if we become aware that information in the management accounts may be misleading we will discuss this with you so that appropriate adjustments or disclosures can be made. Where the adjustments or disclosures we consider appropriate are not made and we consider that the accounts remain misleading, we will withdraw from the engagement. In these circumstances, you agree that you have a right to invoice you for our time spent preparing and discussing the accounts with you as well as time spent on any other work that is not completed as part of our resignation.
- 1.7 The management accounts are prepared solely for the confidential use of yourselves. The management accounts must not be recited or referred to in whole or in part in any other document. The management accounts must not be made available, copied or recited to any other party without our express written permission. We, your accountants, neither owes nor accepts any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on the management accounts.
- 1.8 You are responsible for the following general business and financial matters:
- (a) ensuring that, to the best of your knowledge and belief, financial information used by your business or for the management accounts is accurate and complete;
  - (b) ensuring that the activities of your business are being conducted honestly;
  - (c) safeguarding the assets of your business and taking reasonable steps for the prevention and detection of fraud; and
  - (d) ensuring your business complies with the laws and regulations that apply to its activities, as well as preventing non-compliance and detecting any that occurs.
- If relevant as stated in Key Facts, further responsibilities for company directors/designated members***
- 1.9 You are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company/LLP and for ensuring that the financial statements comply with the *Companies Act 2006* and applicable accounting

standards. You are also responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

- 1.10 You are responsible for safeguarding the assets of the company/LLP and hence for taking reasonable steps to ensure the entity's activities are conducted honestly for the prevention and detection of fraud and other irregularities.
- 1.11 You are responsible for ensuring that the company/LLP complies with laws and regulations applicable to its activities, and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that occur.

## **2 Our responsibilities as accountants**

- 2.1 We understand that you require us to prepare the management accounts of your business.
- 2.2 This involves us in completing the writing up of your books and records, insofar as they are incomplete when presented to us, from the information and explanations supplied to us and preparing draft accounts therefrom for your approval.
- 2.3 You understand that we will not be carrying out an audit and accordingly will neither verify the assets and liabilities of the business, nor the items of expenditure and income. To carry out an audit would require additional work to comply with International Standards on Auditing (UK) so that we could report on the truth and fairness of the financial statements.
- 2.4 We would emphasise that we cannot undertake to discover any shortcomings in your systems or any irregularities on the part of your employees or others, although we will advise you of any such circumstances that we encounter in preparing your accounts.
- 2.5 The accounts are not suitable for submission to HMRC with your tax return, or, if relevant, to Companies House.
- 2.6 To ensure that anyone reading the management accounts is aware of the scope of our work and the fact that we have not carried out an audit, we will annex to the projections a short report explaining these facts. If you wish, or are asked, to provide a copy of the management accounts to a third party you must seek our consent before you do this. You are not entitled to disclose our work to a third party without our express permission. We may grant consent subject to certain conditions; however, in every situation where we grant consent, then this report must remain attached to any copy shown to the third party.

## BOOKKEEPING SERVICES

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to the provision of bookkeeping services and to clarify our respective responsibilities in respect of that work.

### **1 Your responsibilities**

- 1.1 You have agreed to provide us with all the company information available in order for us to prepare and maintain the accounting records.
- 1.2 You undertake to provide us with accurate and complete information. Where you become aware that information provided by you has altered, or circumstances have changed, you are responsible for advising us of this as soon as possible. We are not responsible for advice or reports provided that would have been altered had we been aware of the full facts.
- 1.3 You are 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.
- 1.4 You are also responsible for ensuring that the business complies with the laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs.

### **2 Our responsibilities as accountants**

- 2.1 We understand that you require us to carry out your bookkeeping and to prepare your accounting records. We will maintain your accounting records using appropriate computer software. We have explained to you verbally what this means.
- 2.2 From the information and explanations you supply, we will maintain the records accordingly.
- 2.3 You understand that we will not be carrying out an audit and accordingly will not verify the assets and liabilities of the business, nor the items of expenditure and income. To carry out an audit would require additional work to comply with Auditing Standards so that we could report on the truth and fairness of the financial statements.
- 2.4 We would emphasise that we cannot undertake to discover any shortcomings in your systems or any irregularities on the part of your employees or others, although we will advise you of any such circumstances that we encounter in preparing your accounts.

## ACCESS TO ACCOUNTING SOFTWARE via the CLOUD

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to the access to accounting software via the Cloud provided by the third-party software provider stated in **Key Facts** (the 'Cloud Supplier'), and to clarify our respective responsibilities in respect of that work. You agree that access will be provided to both the firm and the Cloud Supplier.

Details of the Cloud Supplier are provided in **Key Facts**.

### 1 Your responsibilities

- 1.1 You will agree with the Cloud Supplier the specific accounting software that you wish to be hosted on the Cloud, as stated in **Key Facts**.
- 1.2 You will be responsible for the maintenance of your accounting records on the accounting software.
- 1.3 You will pay our monthly fee on a timely basis to ensure continued provision of the service by the Cloud Supplier. Should there be a delay in payment of our fee according to our credit terms we reserve the right, after a written warning has been issued, to withdraw the service until our fees have been paid.
- 1.4 You will enter into a Service Level Agreement with the Cloud Supplier regarding the uptime availability and the provision of maintenance, support and security, in particular the frequency of back-ups provided. Should you have any concerns on these matters, please contact us.
- 1.5 If you need to process personal data, where necessary you will provide us with appropriate contractual assurances that you have secured consents to do so.
- 1.6 You will provide us with a list of approved users, and will be obliged to keep all usernames, passwords and any additional authentication measures required for access secure and not shared with unauthorised individuals
- 1.7 You undertake to use the system for acceptable use, which includes:
  - ensuring appropriate security measures are in place to prevent or detect any viruses, Trojans, keyloggers, malware or other malicious code;
  - not to transmit any unlawful information or content;
  - not to allow access to the service to any third party; and
  - not to use the software to provide services to other parties.
- 1.8 You are responsible for:
  - ensuring that appropriate IT security measures are in place;
  - ensuring that your network and systems meet any necessary performance requirements;
  - maintaining your network and telecommunication links; and
  - compliance with applicable Cloud Supplier terms.
- 1.9 If one of your staff who has access to the software leaves or is no longer authorised to access the software, you are responsible for asking the firm to remove their user ID and password if you do not have the administrative rights to do so. You must give us sufficient notice to be able to make the change on your behalf if you are not able to do this directly.

### 2 Our responsibilities as accountants

- 2.1 We are happy to assist you with the selection of the specific accounting software that is appropriate to your needs, though the final decision is yours. This service is provided for a set-up fee agreed in advance.
- 2.2 We will invoice you each month for the provision of the service by the Cloud Supplier.
- 2.3 Though we will have access to your accounting system hosted by the Cloud Supplier, we would emphasise that we cannot undertake to discover any shortcomings in the third-party software, your systems or any irregularities on the part of your employees or others, although we will

advise you of any such circumstances that we encounter if requested to prepare your financial statements.

- 2.4 We undertake to use all reasonable endeavours to obtain from the Cloud Supplier a signed confidentiality agreement with the firm to ensure compliance with the relevant clauses in the firm's standard terms of business concerning our fees, confidentiality, internet communication, all relevant data protection law and general limitation of liability.
- 2.5 We are responsible for keeping all usernames, passwords and any additional authentication measures required for access secure, and not shared with unauthorised individuals.
- 2.6 We will ensure only authorised staff are provided access.
- 2.7 The firm cannot be held liable for any failures to deliver services due to transmission errors or unavailability of internet networks, or due to the failure or unavailability of any Cloud Supplier infrastructure. We are also not liable for any loss of or corruption to your data or if the service is interrupted due to your breach of Cloud Supplier terms. However, we will liaise with them to help ensure that normal service is resumed as soon as possible.
- 2.8 If you wish to disengage from this service, on giving the notice period specified in **Key Facts**, we will liaise with the Cloud Supplier for you to receive a back-up of your data as at the end of the notice period, subject to you meeting their conditions.
- 2.9 The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. If you instruct us to do so, we will also provide such other ad hoc services as may be agreed from time to time. These may be the subject of a separate engagement letter. We will discuss and agree our fee for such work when it is commissioned by you. Examples of ad hoc work would include:
  - review of existing software for suitability to your business needs; and
  - training your staff in the use of the accounting software.

## PROVISION OF CLIENT PORTAL SERVICE via the CLOUD

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to provide access to a secure client portal via the Cloud, provided by the third-party software provider stated in **Key Facts** (the 'Cloud Supplier'), and to clarify our respective responsibilities in respect of that service. You agree that access will be provided to both the firm and the Cloud Supplier.

Details of the Cloud Supplier are provided in **Key Facts**.

### 1 Your responsibilities

- 1.1 You control which documents are uploaded to the portal and for removing them when they are no longer needed.
- 1.2 If you need to send/process personal data, you will provide us with appropriate contractual assurances that you have secured consents to do so.
- 1.3 You will provide us with a list of approved users, and will be obliged to keep all usernames, passwords and any additional authentication measures required for access secure and not shared with unauthorised individuals.
- 1.4 You undertake to use the system for acceptable use, which includes:
  - ensuring appropriate security measures are in place to prevent or detect any viruses, Trojans, keyloggers, malware or other malicious code;
  - not to transmit any unlawful information or content;
  - not to allow access to the service to any third party; and
  - not to use the software to provide services to other parties.
- 1.5 You are responsible for:
  - ensuring that appropriate IT security measures are in place;
  - ensuring that your network and systems meet any necessary performance requirements;
  - maintaining your network and telecommunication links; and
  - compliance with applicable Cloud Supplier terms, if applicable.
- 1.6 If one of your staff who has access to the portal leaves or is no longer authorised to access the portal, you are responsible for asking the firm to remove their user ID and password if you do not have the administrative rights to do so. You must give us sufficient notice to be able to make the change on your behalf if you are not able to do this directly.
- 1.7 If you determine to cease using the services of the firm, you will inform the firm immediately.

### 2 Our responsibilities as accountants

- 2.1 We will provide a free voluntary client portal service to allow the secure exchange of documents between the firm and its client, as well as ongoing client access to certain documents (which may include confidential documents) created or maintained by the firm.
- 2.2 We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful access to data in the portal and against accidental loss, destruction of or damage to the data.
- 2.3 We undertake to use all reasonable endeavours to obtain from the Cloud Supplier a signed confidentiality agreement with the firm to ensure compliance with the relevant clauses in the firm's standard terms of business concerning our fees, confidentiality, internet communication, all relevant data protection law and general limitation of liability.
- 2.4 We are responsible for keeping all usernames, passwords and any additional authentication measures required for access secure, and not shared with unauthorised individuals.
- 2.5 The firm cannot be held liable for any failures to deliver services due to transmission errors or unavailability of internet networks, or due to the failure or unavailability of any Cloud Supplier infrastructure. We are also not liable for any loss of or corruption to your data or if the service is interrupted due to your breach of Cloud Supplier terms. However, we will liaise with them to help ensure that normal service is resumed as soon as possible.

- 2.6 We will ensure only authorised staff are provided access.
- 2.7 On receiving notification of the decision to cease using our services, we will immediately cancel all user access to your portal and discuss with you the way ahead.
- 2.8 The firm reserves the right to modify these terms and conditions under which the portal is offered, and will provide you with due notice before implementation.

## TRANSITION TO A NEW ACCOUNTING BASIS

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to the transition from old UK GAAP to a new accounting basis as specified in **Key Facts**, and to clarify our respective responsibilities in respect of that work.

We will communicate with the person named in **Key Facts** in relation to the entity's affairs having agreed with you that he/she may represent the entity in its financial affairs.

### 3 Your responsibilities

- 1.1 You are responsible for the determination, under the new accounting basis, of:
  - (a) the accounting policies and estimates;
  - (b) necessary judgments regarding facts and figures in the financial statements; and
  - (c) the choice of transitional exemptions taken.
- 1.2 You are responsible for providing us with all relevant accounting records and financial information to enable us to meet our responsibilities, which will include, where relevant, valuations and the details of any valuation method used from yourselves or third parties.
- 1.3 You are responsible for telling us if you intend to apply the 'undue cost or effort' exemption for any items in the financial statements and the rationale for so doing.
- 1.4 You are responsible for communications with third parties, such as lenders, investors or employees, regarding the impact of the new accounting basis, including whether and how it might impact on any bank covenants, profit related pay or earn-outs on business combinations.
- 1.5 You are responsible for determining if there is any impact on the going concern status of the entity and informing us of this.
- 1.6 You are responsible for ensuring that your systems are capable of capturing the information necessary for the preparation of the financial statements under the new accounting basis.
- 1.7 You are responsible for ensuring that, to the best of your knowledge and belief, the financial information supplied to us is accurate and complete.
- 1.8 You will approve and sign the financial statements thereby acknowledging responsibility for them, including the appropriateness of the accounting basis on which they are compiled, the policies selected and the disclosures given, and for providing us with all information and necessary explanations to complete our responsibilities.

### 4 Our responsibilities as accountants

- 2.1 We will carry out the work as stated in **Key Facts** which may include some or all of the following services:
  - (a) where there is more than one applicable accounting basis, advising you on the key elements of the different bases available to you and the impacts they may have on your financial statements;
  - (b) advising on the impact of the various transitional exemptions on moving to the new accounting basis and the factors to consider in reaching a decision on which to take advantage of;
  - (c) advising you of the options available for presentation of the financial statements to assist you in making a choice;
  - (d) preparing the transitional adjustment, based on the information provided by you, as at the start of the comparative period, and the related adjustments in the comparative and current period;
  - (e) preparing the transitional disclosures as required or encouraged by the new accounting basis;

- (f) advising on the taxation impact of the changes to the new accounting basis and how this may interact with the choices of policy and transitional exemptions available.
- 2.2 Where we also perform an audit for the entity (if specified earlier in **Key Facts**), we are responsible for ensuring that we are able to carry out the work in this schedule, as specified in **Key Facts**, with sufficient safeguards in place to maintain our independence in accordance with ethical requirements.