

13 February 2019

Ledbury Town Council  
Town Council Offices  
Church Street  
Ledbury  
Herefordshire  
HR8 1DH

Dear Clerk/RFO

**Ref: Year End Accounts Preparation**

Thank you for engaging us to carry out the Year End accounts preparation. The purpose of this letter is to set out the basis on which we are engaged and to clarify our respective responsibilities.

**1. Your responsibility as the Responsible Finance Officer**

1.1 Our work will be carried out on the basis that you acknowledge and understand that you have responsibility to provide:

- (a) A full record of Receipts and Payments
- (b) Copies of purchase and sales invoices where appropriate, for debtors and creditors
- (c) List of any Accruals, Prepayments and Receipts in Advance
- (d) List of Council agreed Ear Marked Reserve movements
- (e) Reconciled cash books and control accounts for all bank/investment accounts held by the Council and any petty cash accounts, to be reconciled as at the 31<sup>st</sup> March 2019 and final Bank Statements to be available. Building Society Account passbooks to be up to date.
- (f) VAT returns to have been completed for all relevant VAT return periods and copies to be supplied
- (g) VAT return to be compared to nominal control and any discrepancies highlighted
- (h) Where appropriate, purchase and sales ledger controls are checked.
- (i) Any discrepancies from the above checks must be emailed to [support@rbssoftware.co.uk](mailto:support@rbssoftware.co.uk) **by the 9<sup>th</sup> March 2019**
- (j) Please ensure that you have entered the budget for 2019/20 in to the Next Year budget column, prior to our visit, as this will then be transferred as part of the year end closedown to the new financial year.
- (k) Schedule of all Fixed Assets to be provided
- (l) Copies of statements received in year from Public Works Loan Board (PWLB) concerning loan account balances.
- (m) Complete the enclosed checklist and notify RBS Support of any discrepancies **by 9<sup>th</sup> March 2019 failure to do these checks and email them to [support@rbssoftware.co.uk](mailto:support@rbssoftware.co.uk) prior to our visit may result in an additional charge**

**2. Our responsibilities**

2.1 We will use the accounting records and documentation as outlined above to prepare your year end accounts:

- (a) Complete the year end closedown using our software
- (b) Prepare the figures for the council to complete the Annual Return, and provide supporting accounting statements
- (c) Assist in the preparation of the variances analysis if required
- (d) Create the new financial year on our software or where you have created the new financial year we will update the opening balances
- (e) We will check the budget figures in the new financial year

### **3. Other Terms**

- (a) Our work will not be an audit of the financial statements in accordance with International Standards of Auditing (UK and Ireland). Accordingly, we will not obtain any evidence relating to entries in the accounting records, or to the financial statements or to the disclosures in the financial statements. Nor will we make any assessment of the estimates and judgements made by you in the preparation of the financial statements. Consequently, our work will not provide any assurance that the accounting records or the financial statements are free from material misstatement, whether caused by fraud, or other irregularities or error.
- (b) Businesses that provide professional accountancy, tax or bookkeeping services are known as 'Accountancy Service Providers'. The Money Laundering Regulations require Accountancy Service Providers to register with HMRC if they're not already supervised by a professional body. This supervision involves the periodic review of such businesses to ensure they have appropriate internal controls, valid and adequate Professional Indemnity Insurance cover in place'. We recommend you check the status of your provider of such services. RBS Software comply with these HMRC requirements, thus offering their clients the appropriate level of protection and security. For more details please refer to the HMRC website - <http://www.hmrc.gov.uk/mlr>. A copy of our Indemnity Insurance is available upon request.

### **4. Date of Year End Closedown**

Whilst I have tried to accommodate everyone's date requirements, you may find that we have not been able to give you the exact date that you required but I hope that you will be able to work with us and agree to the following date:

**Your Year End Date is 10th May 2019**  
**Your Consultant will be Alan Purvis**

### **5. Fees**

The price for Year End close down is £540 plus 45p per mile travelling expenses and overnight accommodation charges where required plus VAT. We have grouped Councils together by area so that the mileage charge and overnight accommodation will be shared. To keep costs to a minimum, where possible please provide car parking for the visiting consultant.

### **6. Acceptance of Terms**

The terms set out in this letter shall constitute the terms of our engagement. Please confirm your acceptance by dating and countersigning the copy and returning it to us **by the 22<sup>nd</sup> February**, thereafter the date will be released to a client on our waiting list.

Please do not hesitate to contact me if you have any questions.

Yours sincerely

*Caroline Buckland*

Managing Director

To: Rialtas Business Solutions Ltd

I confirm that I have read and understood the contents of the letter and that they accurately reflect the services that I have instructed you to provide.

I confirm that I accept the date of the Year End as included in this letter, which is:

10th May 2019 with Alan Purvis

I confirm I will carry out the checks as per the included checklist, and notify RBS support of any discrepancies by 9<sup>th</sup> March, as I understand that failure to do these checks and report any discrepancies may result in an additional charge.

I confirm that we can/cannot provide car parking for the consultant. If you are unable to provide car parking the nearest car parking is at: .....

.....

I hereby accept the terms of this letter on behalf of the Council as their Responsible Finance Officer.

Signed: ..... Dated: .....

Name: ..... Position: .....

Council Name: .....