madan
CHARTERED ACCOUNTANT
Professional Corporation

Madan Chartered Accountant
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Mississauga ON L4Z 3L3

Telephone: 905-268-0150
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www.madanca.com

Date

Client's Name

Title

Company Name

Building # and Street Name

City, Province/State, Postal/Zip Code

Country

Dear Client's Name

Subject: U.S. Return of Partnership Income

The purpose of this letter is to specify the terms of my engagement as the provider and preparer of the following services and returns of Company Name

Service(s) **Please click the text of dropdown choice to activate your selection**	**Period End**	**Service Fee(s)**
n/a		_____
n/a		_____
n/a		_____
n/a		_____
n/a		_____
Custom (write here)		_____
Custom (write here)		_____
	Total:	$0.00

Client's Responsibilities

It is understood and agreed that your responsibilities are as follows:

(a) You are responsible for supplying the information necessary for my preparation of the returns of the partnership. I will send a customized list of information required for the preparation of the returns to you. You understand that subsequent information may be required and that you will provide this information to me on a timely basis.

(b) The accuracy of the information and completeness of the representations reflected in the partnership's return is your responsibility under the Internal Revenue Code. You represent that the information supplied to me is, to your knowledge, correct and complete, and fully discloses all of the partnership's reporting requirements under the Internal Revenue Code. I will not audit, review or otherwise attempt to verify the accuracy or completeness of any information provided.

(c) You confirm that you have provided me with all income and deduction items to be included in the returns of the partnership and that they are correct and complete. You confirm that all sources of income have been disclosed, and all deductions were incurred to earn income.

(d) You will review and approve all journal entries, transaction classifications, and account codes determined or changed by my firm.

☒ (e) By signing this engagement letter, you confirm that you did not engage the services of a Canadian Chartered Professional Accountant in respect of your company in the past.

Partnership Returns

Partnership Returns must be filed with the taxation authorities by the 15th day of the 3rd month from the partnership's year end. Failure to file by the due date may result in significant penalties and interest charges.

Limitation of Liability

The liability of Madan Chartered Accountant Professional Corporation to you for any claim related to professional services provided pursuant to this engagement letter in either contract, negligent misrepresentation or tort, including the partners, officers or employees of the accounting firm shall be strictly limited to the amount of any professional liability insurance Madan Chartered Accountant Professional Corporation may have available at the time such claims are made. No claim shall be brought against Madan Chartered Accountant Professional Corporation, negligent misrepresentation or tort more than one year after the services were completed or terminated under this engagement.

If Both T1134 & T1135 are selected, check box

Quarterly Tax Payments (Section 1446)

Use Form 8813 to send installment payments of withheld tax (as per section 1446) based on effectively connected taxable income allocable to foreign partners, as per the chart below:

Type of Foreign Partner	Rate of Withholding Tax	Due Dates
Non-Corporate	39.60%	April 15th June 15th September 15th December 15th
Corporate	35%	

Generally, pay any additional amounts due when filing Form 8804. However, if the partnership files Form 7004 to request an extension of time to file Form 8804, pay the balance of section 1446 withholding tax estimated to be due with Form 7004 in order to avoid the late payment penalty.

Financial Statements

__As agreed, I will utilize financial statements provided by you to prepare the Partnership Return.

-OR-

✔ As agreed, I will compile financial statements in accordance with the standards applicable to compilation engagements for the year ended Date of the Partnership from information provided by you. I will not audit, review or otherwise attempt to verify the accuracy or completeness of such information. Unless unanticipated difficulties are encountered, my communication will be substantially in the following form.

Fees

The fees are expected to be $0.00 plus applicable taxes. The fee is payable one-half upon acceptance of this engagement, and one-half upon completion (i.e. before filing with the relevant tax authorities). A 2% administrative fee of $0.00 will be added to the final invoice. Any out-of-pocket expenses that I incur in the course of preparing the returns will be billed in addition to the stated fee.

In addition to the fees described above, you will be charged for out-of-pocket costs relating to "Per-Return-Pricing (PRP)". This provides us with the ability to print state and local returns from Ultra Tax CS software for you. The out-of-pocket costs are as follows (in CAD):

Form	1040/1040-NR	1120	1065
Federal	$ 25.00	$ 35.00	$ 35.00
Per State/Local	$ 18.00	$ 22.00	$ 22.00

If there is reason for further work, including additional tax research required or changes to financial information, which may result in additional fees, I will obtain your approval before proceeding with such work.

It is agreed this invoice will be paid upon receipt. Interim bills may be charged as required, which must also be paid upon receipt. Any amounts outstanding will be charged interest at 1% per month (12% per annum).

The above fees do not include any follow up work required as a result of assessments, requests for information required by the taxation authorities or government audits in respect of the returns prepared. Madan Chartered Accountant reserves the right to assign unpaid invoices to a third party Collections Agency. Any invoices assigned will be subject to a 25% surcharge. Invoices past-due for more than 30 days will be subject to a monthly late fee of $25 for amounts owing below $1,000 and $50 for amounts owing above $1,000. By signing this engagement letter, you hereby accept this policy.

Notice to Reader

On the basis of information provided by management, I have compiled the balance sheet of your company as of Date and the statements of income and retained earnings for the year then ended. I have not performed an audit or a review engagement in respect of these financial statements and, accordingly, I express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Madan Professional Chartered Accountant
Mississauga, Ontario
Date

Since I am accepting this engagement as an accountant, not as an auditor, I request that you do not record this as an auditing engagement in the minutes of your shareholders' meetings. My services will not result in the expression of an audit opinion or any other form of assurance on the financial statements nor the fulfilling of any statutory or other audit requirement. You may wish to obtain legal advice concerning statutory (or contractual) audit requirements.

It is understood and agreed that:

(a) You will provide me with accurate and complete information necessary to compile such statements;

(b) The responsibility for the accuracy and completeness of the representations in the financial statements remains with you;

(c) Each page of the financial statements will be conspicuously marked as being unaudited;

(d) You will attach my notice to reader when distributing the financial statements to third parties;

(e) The financial statements may either lack disclosure required by, or otherwise not be in accordance with, generally accepted accounting principles, and may not be appropriate for general purpose use; and

(f) Uninformed readers could be misled unless they are aware of the possible limitations of the statements and my very limited involvement.

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If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign the copy of this letter in the space provided and return it to me.

I appreciate the opportunity of continuing to be of service to your company.

Yours very truly,

_____

Allan Madan, CPA, CA
Madan Chartered Accountant Professional Corporation

The services and terms as set out above are as agreed. As well, I acknowledge and accept my responsibilities as outlined above.

Client's Name
Company Name

Signature:_____

Name: _____

Title: _____

Date: _____