

# Accounting compliance

## The accounting and reporting services include the following;

- Setting-up an accounting system and implementation of a standard package of functionalities as part of the accounting software (Pantheon), including the general ledger, sub-ledgers and non-current assets module.
- Creating an appropriate Montenegrin chart of accounts for the Company, in accordance with IAS standards.
- Regular accounting entries into accounting system.
- Maintenance of journal ledger, general ledger and sub-ledgers.
- Making accruals for undocumented expenses incurred.
- Periodical reporting – monthly reporting; balance sheet, income statement, cost expenses, administrative expenses, financial expenses, funds and bank statements.
- Optional reporting - quarterly reporting; equity, cash flow, analytics of receivables and payables, and fixed assets reports.
- Routine correspondence with Tax Authorities.
- Travel orders administration; calculation of daily allowances, verification of claimed expenses from compliance perspective and final calculation of business trips.

Compliance services specified above will be done exclusively on the basis of information and documentation provided by the Client and shall not include the inspections, creation of invoices, debt collecting, assisting with internal or external audits, legal and bank account administration (payments on behalf of the Client) and will in case requested be subject to a separate cost analysis and cost proposal to the Client. Setting-up non-standard functionalities in the accounting software might require engagement of Pantheon software supplier and will in those cases be subject to a separate cost analysis and cost proposal to the Client.



**The Accounting Firm assumes the following tasks will be under the responsibility of the Client;**

- Performing inventory counts.
- Creating purchase orders, invoices, preparation of the sales invoices and petty cash. The Accounting Firm will not prepare nor change source documents or originating data.
- Data should be properly categorized, described and approved by the Client prior to sending to the Accounting Firm for processing. The Client shall provide Accounting Firm with the transactional data on a weekly or monthly basis in the form of scanned copies while the originals will remain in responsibility of the Client.

### **Fees**

In the basic accounting fee is set a maximum of 2 employees in payroll and 600 incoming and outgoing invoices processed per each contracted year, above these thresholds a scheme applies.

