

# S.K. Income Tax & Accounting Services

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## 2020 Engagement Letter Changes

Recent Congressional and IRS activity has made us change paragraph 8 of the engagement letter for this year. Please sign this letter showing that you have read and will adhere and understand the changes.

8. You acknowledge that you have reported all 2021 income you received including barter, consumer to consumer activity, cash-based income and all other income whether received in person, in-kind, or electronically. You also confirm that you have or will timely file any applicable required Forms W-2 and W-3 with the Social Security Administration and IRS for business employees or home-workers.

**Cryptocurrency: Congress and the IRS are very aggressively pursuing cryptocurrency activity, reporting and tax situations. Failure to report cryptocurrency activity of any type, including sales, staking, mining, lending, NFT activity, trades and other activities must be reported on your return, so you also acknowledge that you have reported all crypto-currency activity to us.**

*Suzette Weller, EA*

I(we) have read the above additional terms of the engagement letter and agree with the terms of this engagement.

Client Signature \_\_\_\_\_ Date  
Spouse Signature \_\_\_\_\_ Date

# Accounting

Chapter 1: Introduction to Accounting

The primary purpose of accounting is to provide information about the economic activities of an organization. This information is used by management and other stakeholders to make decisions.

Accounting is a systematic process of recording, summarizing, and reporting in terms of money the transactions and events which are in part at least financial in nature, and in part at least of a financial character, and interpreting the results thereof.

The accounting process involves the identification, measurement, recording, and communication of financial information. This process is essential for the operation of any business organization.

Accounting is a language of business. It provides a common framework for the communication of financial information.

The accounting process is a continuous cycle that provides ongoing information to management and other stakeholders.