

FINANCIAL YEAR END CHECKLIST

Take the time to consider ways to minimise tax and maximise cash surpluses for the coming year.

DONATIONS

Companies are allowed a deduction for a gift of money to a Charitable organisation approved for charitable rebate purpose. There is no threshold, so all qualifying donations and gifts of Money are deductible – if donations do not exceed taxable income for the year.

HAVE YOU REVIEWED CREDIT NOTES?

Review credit notes issued to customers after 31 March which might be applied to the previous year, potentially reducing the current year's taxable income.

DO YOU HAVE COMMITTED EMPLOYEE EXPENSES?

Amounts owing for holiday pay, bonuses, redundancy payments, long service leave etc. can be claimed, if the employer is committed to them at year end and they're paid within 63 days.

IS YOUR INCOME SIGNIFICANTLY HIGHER THAN LAST YEAR?

If so, an additional voluntary provisional tax payment may be appropriate. Please discuss this option with us prior to year-end.

HAVE YOU SCHEDULED A STOCK TAKE?

If your closing stock is >\$10,000, you are required to undertake a stock valuation. Dispose of obsolete trading stock by 31 March or alternatively write it down to its net realisable value, the lower of cost or market value.

HAVE YOU REVIEWED YOUR DEBTORS'?

To claim a deduction, you need to physically write off bad debts in your debtors' ledger before 31 March. You must have taken reasonable steps to recover the debt first.

HAVE YOU REVIEWED YOUR FIXED ASSETS?

If you have assets no longer in use, the book value can be written off - provided the cost of disposal is expected to outweigh the proceeds from its sale, e.g. the keyboard you spilt coffee on.

HAVE YOU REVIEWED ALL CONTRACTS?

Have you invoiced retentions that are not due and payable for another year? If they are payable in the current year they need to be declared as income but if not, the income will be deferred to a subsequent year.

ARE REPAIRS AND MAINTENANCE DUE?

Consider undertaking repairs and maintenance to fixed assets before 31 March to ensure a full tax deduction. Expenditure <\$1,000 on a new asset is fully deductible.

SUPPORTING DOCUMENTS

We aim to prepare your financial statements and tax returns in good time. To do this we will need your completed annual questionnaires with full supporting documentation.

- | | |
|---|--|
| <input checked="" type="checkbox"/> BANK LOANS. Year-end statement(s), security, interest rate, loan term. | <input checked="" type="checkbox"/> BANK STATEMENTS. If you use Xero, MYOB or a similar accounting system, copies of final bank and credit card statements let us check the reconciled balance. |
| <input checked="" type="checkbox"/> NEW OR REFINANCED HIRE PURCHASE ITEMS. Hire Purchase Agreement(s) | <input checked="" type="checkbox"/> PROPERTY/BUSINESS SALES/. Agreements and settlement statements. |
| <input checked="" type="checkbox"/> FIXED ASSET PURCHASES. Receipts for Fixed Assets >\$1,000 | <input checked="" type="checkbox"/> DEBTORS AND CREDITORS. (also known as accounts receivable and accounts payable). What is owed by or to your business, including whether amounts are GST inclusive or exclusive? |
| <input checked="" type="checkbox"/> CLOSING STOCK AND WIP (WORK IN PROGRESS). Stock on hand at year end. Any un-billed work in progress. | <input checked="" type="checkbox"/> DONATIONS/SCHOOL FEES. Provide receipts. |
| <input checked="" type="checkbox"/> INCOME. include details of Wage or Employer Subsidies, additional income as defined for Working for Families | <input checked="" type="checkbox"/> INTEREST, DIVIDENDS & REBATES. Provide certificates |