

## 2021 Checklist

Attached are the year-end tax questionnaires for Personal, Business and Property Investments clients.

To cope with workflow, this year we have again adopted a similar job queuing process to last year. Unless there are exceptional circumstances, each job will be processed on a 'first in first out' basis. We believe this is fairest for all clients.

For us to prepare accurate accounts and income tax returns, we need accurate information from you. Please carefully complete these checklists, sign and return them to us with your records. We prefer to spend time with you checking over the information provided by you to ensure we have all we need. Please make an appointment when you are ready, and bring all the required information.

### TERMS OF ENGAGEMENT:

**INSTRUCTIONS** – I hereby instruct you to prepare my financial statements and taxation returns for the year ended 31 March 2021. I undertake to supply all information necessary to complete the above and I accept responsibility for the accuracy and completeness of the information supplied which is to be used in the preparation of my Financial Statements. You are not to complete an audit, nor do I wish you to undertake a detailed review of my affairs in order to substantiate the accuracy of my information, and therefore you are unable to provide any assurance on my Financial Statements. I understand your work cannot be relied on to detect error or fraud and that you accept no liability for the accuracy and completeness of the information supplied by me. I further understand that the Financial Statements will be prepared at my request and for my purposes only and that you will not be liable for any losses, claims, or demands by any third person. In accordance with these instructions I understand that you will attach the following Disclaimer of Liability to my Financial Statements:

**DISCLAIMER OF LIABILITY** – We have compiled the financial information based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we nor any of our employees accept any responsibility for the reliability, accuracy or completeness of the compiled financial information. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

**PRIVACY ACT** – You are hereby authorised to communicate with my Bankers, Solicitors, Finance Companies, Department of Inland Revenue or any other person, persons and organisations to obtain such further information as you may require in order to complete the above. Further, we authorise you in the course of preparing our financial statements to allow Gilligan Sheppard Limited staff and other persons contracted to Gilligan Sheppard Limited access to our information.

**TAX AGENT** – You are fully authorised to represent me/us as tax agent.

**FEE BASIS** – I understand your fee will be calculated based on time engaged by you and your staff, and this will be paid by the 20th of the month following date of fee account. You are authorised to deduct from Tax refunds any fees charged. In the event of any debt remaining outstanding all costs of collection incurred by you or your agent will be payable by ourselves. I accept that interest may be charged at the rate of 1.5% per month on any unpaid invoice.

These instructions will continue in effect from year to year unless we agree to change them.

.....  
Full name individual/s

.....  
Full name entity (i.e. Trust/Company/Partnership)

.....  
Signature

.....  
Date



## A: Personal Details

### 1. INCOME

Do you receive income from dividends or interest? We must show amounts received for the year to 31 March.

List and send interest and dividend confirmations, including details of taxation deducted (RWT & Imputation Credits).

Please provide income summaries from PIE Investments.

**Employment income / Other tax deducted Income:** Attach "Summary of Earnings" issued by IRD. The IRD will send us your summary of earnings if you are an existing client and on our agency list. If this is your first year with us, then please send us a copy of your Summary of Earnings from IRD.

**Overseas Income:** Include details of all income earned overseas.

Do you have any interest in or receive income from an overseas superannuation or pension scheme?  
Please provide details.

Do you have any bank or loan accounts held in a foreign currency?  
Attach bank/loan statements.

**Investments:** Provide details of investments in companies, unit trusts, e.g. name/s, amount/s and date/s of acquisition.  
(Refer also to section B, number 12).

**Trusts:** Provide an income statement for distributions received from Trust.

### 2. SPOUSE'S EARNINGS

Do you wish us to prepare your spouse's return? If yes, enclose details of income for year ended 31 March.

### 3. PERSONAL HOME OFFICE DETAILS

Do you operate an office from home? You may be able to claim these costs through your business.  
List total amount paid for each item (where applicable) for the period commencing 1 April to 31 March.

|           |    |                      |    |
|-----------|----|----------------------|----|
| Telephone | \$ | Gardening            | \$ |
| Rates     | \$ | Interest on Mortgage | \$ |
| Insurance | \$ | Rent                 | \$ |
| Repairs   | \$ | Electricity / Gas    | \$ |
|           | \$ |                      | \$ |

What is the area of home office/home and garage that is used for business (in % terms). \_\_\_\_\_

### 4. SHARE TRADING

Have you been involved in trading significant volumes of NZ or Australian shares or futures trading? If so, attach all details. Please also provide full details of interest paid on money borrowed to acquire shares.

|   |  |
|---|--|
| <b>5. PROPERTY TRANSACTIONS</b>   |  |
| Provide full details of land and building purchased and/or sold over the last 12 months – both private and business.  |  |
| <b>6. LTC (Look Through Company)</b>  |  |
| If you expect losses from an LTC, please advise details.  |  |
| <b>7. LOSS OF EARNINGS INSURANCE</b>  |  |
| Premiums paid on Loss of Earnings insurance policies (except Agreed Value Policies) are deductible against your income. Please supply details.  |  |
| <b>8. TAX CREDITS</b>   |  |
| Tax Credits for Donations is claimed on an IR526. If you have received this direct from the IRD, complete and file directly with the IRD. You can claim as a tax credit the <u>lesser</u> of 33.33% of the total claimable donations or 33.33% of your taxable income. If you would like us to prepare the tax credit claim for you, please provide receipts for all donations over \$5.00. |  |
| <b>9. WORKING FOR FAMILIES and PARENTAL TAX CREDIT</b>  |  |
| Where you believe you may be eligible for working for families and/or parental tax credits and have not claimed in previous years, please provide full names, birth dates, IRD numbers or copies of birth certificates for your children if they don't have IRD numbers.  |  |
| Where a child became financially independent during the year or left school, provide the child's name, birth date and date they left school. In addition to the information above, the IRD require us to include other income in your calculation this year. We will request this from you when we prepare your return.   |  |
| <b>10. STUDENT LOANS</b>  |  |
| Do you or your child have a student loan? State name of the person(s) who have the loan.  |  |
| Name: _____   |  |
| Name: _____   |  |
| <b>11. ACC COVER PLUS EXTRA</b>   |  |
| Do you pay ACC on self-employed income or shareholder salary?<br>Please attach your latest ACC invoice for ACC cover plus extra review.   |  |

## B: Business Details

### 1. CASHBOOKS & LEDGERS (Manual or computerised)

Provide summary and detailed cashbooks and ledgers. Provide a computer disk copy if using Quickbooks, MYOB or Quicken.

Software used: \_\_\_\_\_ Version no: \_\_\_\_\_ Password: \_\_\_\_\_

Ensure these reconcile to the bank statements. Enclose copy of bank reconciliation and bank statement at 31 March. Where no cashbooks or ledgers are kept, enclose all bank statements together with cheque butts and deposit books, unless using either our Banklink or Xero services.

If you prepare your own GST/FBT/PAYE returns, please attach a copy or your relevant working papers that reconciles with the GST/FBT/PAYE returns. Attach details of any adjustments made in your GST/FBT/PAYE returns during the year.

### 2. STOCK FIGURES

Based on proper stocktaking as at balance date. \$ \_\_\_\_\_

Provide full stock sheets. Note: Stock should be valued at either cost (excl. GST) or market selling value but only if lower than cost. Obsolete stock should still be entered on stock sheets but marked clearly NV or written down to its market selling value.

### 3. VALUE OF UNCOMPLETED WORK IN PROGRESS

Assess the value of work done as follows:

\_\_\_\_\_

|   |    |
|---|----|
| Cost of material supplied to balance date | \$ |
|---|----|

|   |    |
|---|----|
| Plus cost of labour supplied up to balance date | \$ |
|---|----|

|   |    |
|---|----|
| Value of work in progress at balance date | \$ |
|---|----|

### 4. AMOUNTS OWING TO YOU

Accounts Receivable. \$ \_\_\_\_\_

List money owing to the business by customers and others at the end of the year. Attach the customers aged report at balance date. Debts considered non-recoverable need to be physically written off the ledger prior to balance date. Please provide details on any current creditors that will not be paid (i.e. will be written off). Please provide reasons for the write off.

### 5. AMOUNTS OWING BY YOU

Accounts Payable. \$ \_\_\_\_\_

It is important to provide a full and concise list of amounts owing by you as at 31 March. Include March PAYE (payable in April) and FBT payable in May. Include value of holiday pay owing as at 31 March. Of this amount, how much will be paid between 1 April and 2 June? Include full description of supplies for coding purposes. For credit cards attach the credit card statement showing the balance at year end. Identify the business-related expenses on the statement.

|  |  |
|--|--|
| <b>6. RETENTIONS</b>   |  |
| Debtor Retentions \$ _____ attach sheet with details – date, amount and client name  |  |
| Creditor Retentions \$ _____ attach sheet with details – date, amount and client name.   |  |
| <b>7. PAYMENTS / RECEIPTS IN ADVANCE</b>   |  |
| Provide details of any significant expenses you paid during the year that relate wholly or partly to next year.  |  |
| Deposits received from customers in advance of services being performed, may be able to be deferred until next year's income. Provide details of deposits/payments in advance you received during the year. Date, amount and client name.  |  |
| <b>8. MORTGAGES - TERM LOANS - HIRE PURCHASES</b>  |  |
| Provide a list detailing new loans, e.g. term, monthly instalments, amount borrowed, interest rate and security. Provide a copy of all agreements. Provide a copy of year-end account summary statements which provide a breakdown of principal and interest paid.   |  |
| <b>9. ASSETS PURCHASED DURING THE YEAR</b>   |  |
| We only require details of assets that cost more than \$5000 excl. GST if purchased between 1 April 2020 and 16 March 2021. If purchased after 16 March 2021, we will require details of those over \$1,000. Include cars, trucks, plant fittings, buildings, computer hardware/software and upgrades etc. in your list. Provide full details of hire purchase transactions and preferably a copy of the hire purchase agreement. Supply brief description of the asset, if the asset is new or second hand, date purchased. Costs and include invoices.   |  |
| <b>10. ASSETS SOLD DURING YEAR</b>   |  |
| Details of any private use of assets. Advise details of any assets sold, obsolete or scrapped assets from last year's accounts including date sold/scrapped. Mark or highlight these clearly otherwise we could include them in sales in error. Details of asset sold and matched to fixed asset schedule.   |  |
| <b>11. INVESTMENTS</b>   |  |
| For bank deposits, attach bank statements or confirmation.<br>For other investments show full details including any income derived.  |  |
| <b>12. FOREIGN INVESTMENTS</b>   |  |
| Do you have overseas shares/unit trust investments? If yes, please provide details of when the investment was acquired, the cost price, market value as at 1 <sup>st</sup> April and market value as at 31 <sup>st</sup> March. Please provide copies of your portfolio investment statements and details of investments sold during the year.   |  |
| <b>13. VEHICLES FOR BUSINESS USE</b>   |  |
| In situations where you make your personal vehicle available for business use, you can claim all or a portion of your vehicle costs. Please provide the % of business mileage as confirmed by logbook - or your claim is limited to 25% of expenses. Where a vehicle is owned directly by a company and used for private purposes, the vehicle may be subject to FBT. Please advise if this is the case. Due to new deduction rules, it may be better to claim vehicle expenses based on a km rate, not actual cost. This method also requires a logbook to be kept. Please also note the total kms travelled by the motor vehicle during the year. There is no longer a 5,000km limit on km travelled however, there are two rates in place now – under 14,000km and over 14,000km so we need to determine the total km travelled. Please also provide details on the motor vehicle/s – petrol or diesel and engine size. |  |

|  |  |
|--|--|
| <b>14. LEGAL STATEMENTS</b>  |  |
| Provide statements and invoices to support all legal transactions if you incurred more than \$10,000 (not including GST) of legal expenses. Provide a small summary of reasons for the expenses incurred if detail not shown on invoice. Attach copies of all the legal invoices, showing date, amount and breakdown details of reason for the charge. |  |
| <b>15. ENTERTAINMENT</b>   |  |
| Generally, only 50% of local business entertainment is deductible. GST registered taxpayers must adjust for GST portion of the 50% non-deductible expense. Out of town and overseas entertainment may be 100% deductible so, if significant, please separate these.  |  |
| <b>16. DONATIONS</b>   |  |
| Companies may claim a deduction for donations made to donee organisations (charities). The amount claimable is limited to the company's net income, excluding the donation. Provide receipts for donations over \$100.00.  |  |
| <b>17. OVERSEAS TRAVEL</b>   |  |
| Please provide a summary of overseas business travel stating the countries visited, reason of the trip, who travelled and costs and confirm no GST was claimed.  |  |
| <b>18. BUSINESS EXPENSES PAID FROM PERSONAL FUNDS</b>  |  |
| Advise us of any business expenses you have paid for personally which have not been included in the business accounting records. Advise date, amount and details of expenses and how they were paid, i.e. personal cash, credit card or bank statement.  |  |
| <b>19. BUSINESS GOODS or SERVICES USED FOR PRIVATE PURPOSES</b>  |  |
| Please advise us of any business goods or services used for private purposes that have NOT been recorded as drawings. Describe the goods or services, date purchased by the business and the cost including GST.   |  |
| <b>20. ACC</b>   |  |
| Does your business employ staff? If yes, please attach your latest ACC invoice for review of your ACC business levies.   |  |
| <b>21. COVID-19</b>  |  |
| Did you receive any subsidies for funding relating to Covid-19? If yes, please provide details.  |  |

## C: Rental Questionnaire

### 1. RENTALS

For every rental property owned, provide either a summary of income and expenses or bank statements etc., so we can work this out. Expenses should include: advertising - bank charges - body corporate fees - general expenses - insurance - loan application fee - mortgage interest - property management - rates - repairs and maintenance - water charges - etc. Email us to request a copy of a blank rental statement to complete - [gilshep@gilshep.co.nz](mailto:gilshep@gilshep.co.nz)

### 2. OTHER EXPENSES

**Travel:** Travel to inspect the property is generally deductible. Please advise either direct costs or kilometres travelled in the year.

**Home Office:** See details under personal details, *refer section A, number 3.*

**New Properties and Assets:** Provide Sale and Purchase agreement, solicitor's settlement statement and Government or registered valuation for properties purchased during the year. Please provide details of new assets and improvements for existing properties owned.

**Commercial - Quantity Surveyor Report:** For commercial property investments, the building costs should be split between the building property and fit out. Depreciation may only be claimed on fit out. A quantity surveyors report will be needed for this.

**Properties Sold:** For properties sold, provide the solicitor's settlement statement. If the building is sold at a price higher than book value, depreciation recovered will become taxable income. Provide the most recent registered valuation (if applicable) as it may be beneficial to update the land and building split if this is favourable.

**Lease Inducement Payments:** This is a payment made to entice a tenant to take a lease either in a lump sum or in the form of an allowance. If you are a tenant – did you receive any inducement?

**Lease Surrender Payments:** This is a payment from a tenant to break a lease agreement. If you are a tenant – did you make a lease surrender payment?

## D: Trusts

Provide copy of gift statements not prepared by us.

Provide details of any investments or realisations during the 12 months.

Provide details of any overseas share and portfolio investments. Refer section B, number 12.

Provide details of any expenditure on child beneficiaries that are above and beyond providing the basic necessities of life, whether paid via the trust or otherwise.