Financial Statements Questionnaire – 31 March 2019

Ensure this questionnaire is completed and included with your records

Name	Client Name	IRD No:	IRD Number
		Phone:	
Balance Date	31 March 2019	Mobile:	
Email:		Fax:	

To: Wallace Diack Chartered Accountants Limited

Terms of Engagement

I hereby instruct you to prepare my Financial Statements and Taxation Return for the year ending 31 March 2019. I undertake to supply all information necessary to carry out such services, and will be responsible for the accuracy and completeness of such information. I understand that you will rely upon the information provided by me. Your services are not intended to, and accordingly will not result in the expression by you of an opinion on the Financial Statements in so far as third parties are concerned, or in the fulfilling of any statutory audit requirements. I understand that during preparation of the Financial Statements and Taxation Return you will not be specifically investigating non-compliance with laws and regulations – however, should anything come to light of this nature during this process, you will bring that to my attention.

I understand that the Financial Statements and Taxation Return is prepared for my own use and to determine my taxation liabilities. If this should change in any material respect, I will inform you immediately. You will not accept any responsibility to any person, other than me, for the contents of the Financial Statements.

All other terms and conditions of this engagement are the same as those referred to in the original Engagement Letter I signed when I became a client.

I also accept that you have the right to charge interest on overdue accounts at the rate of 1.5% per month, and that all accounts are due for payment by the 20th of the month following invoice date. The charging of such interest will be at your discretion. I accept that any collection costs you incur will be fully recoverable from me.

You are hereby authorised to communicate with my bankers, solicitors, finance companies and all government agencies to obtain such information as you require in order to complete the above assignments. I authorise you to obtain information from Inland Revenue about all tax types except child support (NCP or CPR) in order to complete the above assignments. This includes obtaining information through all Inland Revenue media and communication channels.

You are to represent me as my tax agent. All income tax returns will be signed by me however you are authorised to sign any other taxation return on behalf of myself or any of my associated entities.

Signature: ____ Date:____________________

Convenient time to call you is:	
Alternative phone numbers are:	
Would you like your finalised financial statements and taxation summaries posted or emailed?	Posted ☐ Emailed ☐ Pick up ☐ (Tick One)
Would you like us to supply a copy to your bank?	Yes ☐ No ☐ (Tick One)
If yes, please advise the name of your bank manager:	

Has the nature of your business changed in any way during the past 12 months?
If yes, please provide brief details:

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Records Required	✓	Comment
Bank Statements, Cheque butts, Cash books, etc		
Where **no Cashbook** is supplied, please provide and **include one month past** balance date: ▪ Bank statements including any savings account or term deposit ▪ Cheque & Deposit butts showing the nature of each payment/deposit ▪ Receipt books. Make sure any items not for business sales are clearly marked ▪ Suppliers' invoices filed in cheque number order Where you supply a **written Cashbook**, please provide and **include one month past** balance date: ▪ Cashbook, written up, analysed and reconciled to the bank statements monthly ▪ Bank statements including any savings account or term deposit ▪ Cheque & Deposit butts showing the nature of each payment/deposit Where you supply a **computerised Cashbook**, please provide: ▪ Backup disk as at the end of financial year or email files to us ▪ Copy of Bank Reconciliation as at balance date for all bank accounts ▪ Final Bank Statement for year for all bank accounts ▪ Transaction Listing for Accounts Payable and Accounts Receivable as at balance date	☐ ☐ ☐	
Loan Statements		
Supply a copy of any loan transaction statements for the financial year up to your balance date.	☐	
Employers – Wages paid to Employees		
Please send a month-by-month summary of gross wages and PAYE deductions as returned to the IRD. **<u>OR</u>** Send a copy of your Employer Monthly Deduction Schedule (IR 348).	☐ ☐	
Fringe Benefit Tax (FBT) Returns		
Supply copies of Fringe Benefit Tax (FBT) returns and work papers.	☐	
Goods & Services Tax (GST) Returns		
Please supply copies of Goods & Services Tax (GST) returns and work papers.	☐	
Accounts Receivable (Debtors) – see attached Schedule 1		
All accounts or amounts owing to you at balance date should be scheduled. **<u>Exclude</u>** any bad debts. To enable bad debts to be excluded from income, these must be written off prior to balance date.	☐	Total at Balance Date: $ ____________________ **GST Included** ☐ **Excluded** ☐
Accounts Payable (Creditors) – see attached Schedule 2		
All accounts or amounts owing by you at balance date should be scheduled indicating name of creditor, amount and what the debt is for. Alternatively, mark on cheque butts or highlight in cash book those items in the month following your balance date, which should be included. Holiday pay or bonuses paid within 63 days of your balance date may be included.	☐	Total at Balance Date: $ ____________________ **GST Included** ☐ **Excluded** ☐
Cash on Hand		
*Cash on Hand $____________ Date banked __/__/__ Petty Cash $____________ Till Floats/Cash Floats $____________ *(Include cash sales prior to balance date but not banked until after balance date)	☐ ☐ ☐	

Records Required	✓	Comment
Stock on Hand		
Stock Stock should be physically counted at balance date and adequate records retained to substantiate the dollar value arrived at. Please note that if you estimate your stock to be less than $10,000 at the end of your income year, you may have the option of not physically counting your stock. In these circumstances we will assume that your closing stock is the same as your opening stock. Please indicate if you would like to use this option. (Please note that if your annual turnover is more than $1.3million, you are not able to use this option).	☐ ☐	Valued at lower of: ▪ cost ☐ ▪ net realisable value ☐ ▪ market value ☐ $_______________ GST Included ☐ Excluded ☐
Work in Progress Include material costs, labour costs and overhead costs. Briefly, how was this calculated? ____ ____	☐	$_______________ GST Included ☐ Excluded ☐
Prepayments received	☐	$_______________ GST Included ☐ Excluded ☐
Capital Expenditure		
Attach details of assets purchased or sold during the year such as motor vehicles, plant and equipment and properties. Where applicable please provide the following details: ▪ Hire purchase or loan agreements ▪ Lease agreements ▪ All legal statements and agreements ▪ Trade-in details ▪ Lost, stolen or scrapped items ▪ Copy of Tax Invoices Please refer to last year's Asset and Depreciation Schedule within your financial statements. We suggest you review the schedule and indicate any assets that no longer exist.	☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	
Transactions Not Through the Business		
Were all sales banked into your business trading bank account? Yes ☐ No ☐ If No, list amounts not banked and when they were lodged: ____ ____ ____		Personal $___________ Business $___________ Other bank accounts $___________
Legal and Loan Documents		
Please attach any solicitor's statements and Sale and Purchase Agreements relating to any legal transactions during the year. Please also include Statements and Agreements relating to any mortgages, hire purchase, leases or loans. Please include a copy of your latest Rateable Valuation for any properties you own.	☐	
Business Expenses		
There are a number of invoices that we specifically require. Please ensure the records you provide us with include all paid accounts for: ▪ Insurance premiums ▪ Legal fees ▪ ACC payments and arrangements	 ☐ ☐ ☐	
Private Use		
Value of goods taken for private use at their **cost** price.	☐	**$**_______________ **GST Included** ☐ **Excluded** ☐

Records Required	✓	Comment
Expenses paid in Cash or from Personal Funds		
Please provide a list if applicable.	☐	
Individual Questionnaire – see attached Schedule 3		
Please provide documents relating to your individual taxation return	☐	
Residential Land Withholding Tax		
Have you sold residential property in New Zealand where Residential Land Withholding Tax has been deducted and paid to the IRD? If so, provide details e.g. IR1100 Residential land withholding tax return and other sale and purchase documents.	☐	

Motor Vehicles ☐

The proportion of motor vehicle business use as established by your vehicle log book(s) is/are:

Vehicle Description: ______________________________

Business	______	km
Total	______	km
Days available for private use	______	days

Vehicle Description: ______________________________

Business	______	km
Total	______	km
Days available for private use	______	days

Please note that a detailed and accurate log book must be completed for a three month period every three years or vehicle expense claims will be limited to a maximum of 25% of expenses incurred.

Home Office Expenses ☐

If part of your home is set aside principally for use as an office/workshop/storage area, please provide the following details:

Area used for Business:	__________ m²
Total Area of House & Workshop:	__________ m²
Power	$____________
Insurance (Building & Contents)	$____________
Interest (House Mortgage)	$____________
Rates (including regional council rates)	$____________
Repairs & Maintenance	$____________
Other	$____________
Total	**$____________**

Rental Property Details ☐

Please provide us with the addresses of any rental properties you have

Address:______________________________

Address:______________________________

Address:______________________________

Address:______________________________

Address:______________________________

Address:______________________________

If a property was not rented for a full 12 months, please provide details of why it was vacant.

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Have you purchased or sold any properties?

____

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Rental Income and Expenditure

Income: Total Rent Received	☐	$__________________
Expenses: Rates Insurance Repairs and Maintenance (please attach details or invoices) Mortgage Interest	☐	$__________________ $__________________ $__________________ $__________________
Details of any other expense relating to rental property: ______________________________ ______________________________	☐	$__________________ $__________________
Details of visits to inspect property/conduct property business: Date / Details / Kilometres ______ ______________________________ __________ ______ ______________________________ __________	☐	

Records Required

Mixed Use Holiday Home

Does this entity have a property (such as a holiday home or a bach) that is used privately and also to derive income? Yes ☐ No ☐ ☐

If yes, provide details of property:______________________________

Was the property empty for 62 days in the income year? Yes ☐ No ☐

If yes, please complete the following section so we can determine the amount of allowable deductions.

Mixed Use Holiday Home – Information Required

The number of days the property was empty during the income year __________

The number of days the asset was used by family or associated persons* during the income year OR where income from any person received was less than 80% of market rate __________ ☐

* Associated persons include close relatives, or if owned by an entity, persons associated with the entity owning the property

If there is more than one tenant who used the property through the year, please attach details.

Name of tenant: ______________________

Relationship to owner (if any): ______________________

Amount of rent they paid: $________________

Dates rented (From: To) ______________________

Expenses incurred in respect of the property (the list below is not exhaustive – details of all expenses will be required):

Cost of advertising for tenants $________________

Cost of repairing damages caused by tenants $________________

Number of days spent in the property while repairing damages caused by tenants ________________

Mortgage interest $________________

Rates $________________

Insurance $________________

Repairs/maintenance for general wear and tear $________________

Other (please give details) : ______________________

Mixed Use Boat or Plane

Does this entity have a boat or plane (with a market value of >$50,000), that is used privately and also to derive income? Yes ☐ No ☐ ☐

If Yes, provide details:______________________________

Market value: $_______________

Was the asset unused for 62 days in the income year? Yes ☐ No ☐

If yes, please complete the following section so we can determine the amount of allowable deductions.

Mixed Use Boat or Plane – Information Required

The number of days the asset was **unused** during the income year __________

The number of days the asset was used by family or associated persons* during the income year OR where income from any person received was less than 80% of market rate __________

* Associated persons include close relatives, or if owned by an entity, persons associated with the entity owning the property

For non-associated persons where payment received is at least 80% of market value:

Number of days the asset was used: ________________

Income received: $________________

Expenses incurred in respect of the property (the list below is not exhaustive – details of all expenses are required):

Cost of advertising for hireage $________________

Cost of repairing damages caused by hireage $________________

Operating costs / supplies $________________

Insurance $________________ ☐

Repairs/maintenance for general wear and tear $________________

Other (please give details): ______________________

Schedule 1 – Accounts Receivable (Debtors)
Amounts owing to you at 31 March 2019

Client Name	Client Name

Name of Debtor	Description of Sale	Code	Total Incl GST

Totals	

Schedule 2 – Accounts Payable (Creditors)
Amounts owing by you at 31 March 2019

Name of Creditor	Description of Goods	Code	Total Incl GST

Totals	

Schedule 3 - Individual Questionnaire
Personal information for the year ending 31 March 2019

Please use this section as a reference document to ensure we have all the information required with your records for your individual taxation return.

Records Required	✓	**Comment**
Wages/National Superannuation/Benefits		
Please provide us with the names of any organisations you have received the following from: ▪ Wages ▪ ACC payments ▪ National Superannuation ▪ Any other benefits In most cases IRD will have sent us these details direct, however we do need to check all details have been included.	☐ ☐ ☐ ☐	
Student Loan		
Do you have a student loan? If so, please provide your latest statement from IRD	☐	
Interest and Dividends		
Please supply the advice slips. ▪ For interest received, you should have an annual advice notice showing the withholding tax deducted. This may be on the bottom of your bank statement dated 31 March ▪ If any dividends are taken as bonus shares, also include these advice slips	☐ ☐	
Rental and Leased Property		
Please complete rental property details in the main section and provide the information as indicated.	☐	
Partnerships, Trusts, Estates and Companies		
Please supply details of income earned from any entity for which we do not prepare the accounts and tax returns.	☐	
Overseas		
▪ Supply details of overseas interest, dividends, wages received and taxation paid ▪ Provide details of any overseas investments held at any time during the financial year ▪ Attach all of your investments advisor's reports ▪ Have you at any point in your lifetime, ever contributed to a foreign superannuation scheme, even if you cannot receive the benefits until you retire?	☐ ☐ ☐ ☐	
Any Other Income		
Attach details: ▪ Income Replacement Insurance Policy – provide details of premiums and claims ▪ Look Through Company – if you have been allocated a share of a loss other than from a company that we are aware of, please provide details	☐ ☐	
Donations		
Do you want us to complete your rebate claim form? Yes ☐ No ☐ If so, please attach receipts.	☐	

Records Required	✓	**Comments**
Working for Families Tax Credits and Parental Tax Credit		
Please supply full names and birth dates of all children. Please note the following: ▪ If you had a child born within the current financial year you may be eligible for the Parental Tax Credit. Please include their IRD Number below. If you do not have this you will need to obtain one for them in order to claim any entitlement for them ▪ Where a child has become financially independent during the current financial year, please advise the date they left school or home.	☐	

Child's Name	**IRD No.**	**Date of Birth**	**Date left School**

Working for Families Tax Credits and Parental Tax Credit *(continued)*		
▪ If you have received Working for Families Tax Credits during the year, please supply the certificate issued to you by IRD, detailing the amounts.	☐	
▪ Also provide details of any child support or maintenance payments made or received.	☐	
▪ If we do not prepare your spouse or partner's taxation return, please provide us with details of their income.	☐	
▪ Have there been any changes to your family circumstances, including a change in responsibility for your dependent child(ren), you have married, separated or otherwise changed your family circumstances? If so, please provide details.	☐	
▪ Do you share custody of your child(ren) with anyone other than your partner? If so, please provide details.	☐	
▪ Did you work on average less than 20 hours per week if single or did you and your spouse / partner combined work less than 30 hours per week? If so, please provide details.	☐	
Additional income information - Working for Families Tax Credits		
From the year starting 1 April 2011 the definition of family income for Working for Families Tax Credits has been extended. You are now required to supply details of income received from the following sources: ▪ **Attributable trustee income** Attributable trustee income is all income for the year of a trust that hasn't been distributed as beneficiary income. Trustee income will be attributed only to settlors of a trust. The settlors are individuals who establish or contribute funds to the trust.	☐	
▪ **Attributable fringe benefits** If you receive fringe benefits and you or your associates (e.g. the family trust) are shareholder-employees of the company you work for and you or your associates hold voting interests of 50% or more then you need to include the fringe benefits in your family income. The value of the fringe benefit is the tax-inclusive value of the benefit.	☐	
▪ **PIE income** This includes an amount of income attributed by a portfolio investment entity (PIE) to the principal caregiver or their spouse or partner, except if the PIE is a superannuation fund or a retirement savings scheme (e.g. KiwiSaver).	☐	
▪ **Passive income of children** This includes all passive income such as interest, rents or beneficiary income, received by a dependent child above a threshold of $500 per year, per child.	☐	

Records Required	✓	Comments
Additional income information - Working for Families Tax Credits *(continued)*		
▪ **Income of non-resident spouse** If your spouse or partner, who is not a tax resident, is earning an income overseas, from 1 April 2011 you will need to include their worldwide income as part of your family income.	☐	
▪ **Tax exempt salary or wages** This includes salary and wages that are exempt from income tax under specific international agreements in New Zealand. (e.g. employees of international organisations such as the United Nations or the Organisation for Economic Co-operation and Development (OECD).	☐	
▪ **Pensions and annuities** This includes tax-exempt overseas pensions and 50% of the amount of pension or annuity payments from life insurance policies or a superannuation fund, excluding NZ Super	☐	
▪ **Other payments** These are payments from any other person or entities that are used for the family's day-to-day living expenses. If the total amount is more than $5,000 for the tax year, then the total amount must be included as family income.	☐	
▪ **Income equalisation scheme deposits (excludes 'adverse events' deposits)** This includes any deposits made by you, a company controlled by you or your trust to an agricultural, fishing or forestry business income equalisation scheme account at Inland Revenue.	☐	
▪ **Major Shareholder in a Close Company** Shareholders owing at least 10% of a company where five or fewer shareholders own greater than 50% of the company will be required to include their proportionate share of net income of the company (in addition to dividends received from the company)	☐	
▪ **Certain distributions from superannuation schemes and retirement savings schemes** Distributions received from superannuation schemes and KiwiSaver (other than on retirement) may be included in family income	☐	
▪ **Fringe benefits to shareholders** Shareholder employees owning 50% or more of the company (including interests of associated persons) will need to include attributable fringe benefits (i.e. motor vehicles, low interest loans, subsidised transport > $1k, contributions to insurance/sickness/accident/death funds >$1k and other benefits >$2k). From the 2015 income year, employees and non-controlling shareholders will be required to include motor vehicles (where the person would have been entitled to more employment income if they had not chosen the motor vehicle) and the value of short term charge facilities.	☐	
▪ **Losses** Losses from other businesses / investments / rental properties do not reduce income for the purposes of working out the Working for Families tax credits entitlement. A detailed description and examples of above income types is available from the IRD website: http://www.ird.govt.nz/income-tax-individual/income-adjust/intro/iit-adjust-income.html	☐	

Thank you for completing this questionnaire
Don't forget to sign it