

## Financial New Year Checklist!

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

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**Will the company make a loss?**

File loss offset elections and make subvention payments for the 2014 income year by 31 March 2015.

**Do you discount for prompt payment?**

You may claim deductions for a discount reserve. In the first year a deduction for the actual discount percentage is allowed. Subsequently the amount is calculated at a percentage level. Different rules apply if credit extended to customers exceeds 93 days.

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**Can you pre-pay expenses?**

Many items can be prepaid and claimed as a tax deduction in the year to 31 March 2015.

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**Have you talked to us about the ICA and dividends?**

The imputation credit account must balance so there is no debit balance at year end. If you have imputation debit balance, we'll contact you to discuss further.

**Are you committed to 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.

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**Have you scheduled a stock take?**

Dispose of obsolete trading stock by 31 March or alternatively write it down to its net realisable value, the lesser of cost or market value.

**Have you reviewed your debtors' ledger?**

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.

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**Have you reviewed 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.

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**Are repairs and maintenance due?**

Consider undertaking repairs and maintenance to key assets before 31 March to ensure a full tax deduction.

**Have you reviewed all 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.

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We aim to prepare your financial statements and tax returns in good time. To do this we need your completed annual questionnaires with full supporting documentation. Minimise costly delays by keeping in mind likely supporting documents for:

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| <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> <b>New Bank Loans</b>, balance outstanding at year end, security, interest rate, loan term</li><li><input checked="" type="checkbox"/> <b>Fresh Hire Purchases Items</b>, interest rate, term and repayment plan</li><li><input checked="" type="checkbox"/> <b>Vehicle/ Plant &amp; equipment purchases</b>, agreements. Was finance obtained?</li><li><input checked="" type="checkbox"/> <b>Closing Stock and WIP (Work in Progress)</b>. Stock on hand at year end? Any un-billed work in progress?</li><li><input checked="" type="checkbox"/> <b>Income</b>, include details of Wage or Employer Subsidies, additional income as defined for Working for Families</li></ul> | <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> <b>Bank Statements</b>. If you use MYOB or a similar system, copies of final bank and credit card statements let us check the reconciled balance</li><li><input checked="" type="checkbox"/> <b>Property/ Business Sales/ Purchases</b>, agreements and settlement statements</li><li><input checked="" type="checkbox"/> <b>Debtors and Creditors</b>. What is owed <b>by</b> or <b>to</b> your business, including whether amounts are GST inclusive or exclusive?</li><li><input checked="" type="checkbox"/> <b>Donations/ school fees?</b> Receipts needed please</li><li><input checked="" type="checkbox"/> <b>Interest, dividends and rebates?</b> Provide details</li></ul> |
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