

# stephenson thorner LTD

## Financial Statements Checklist for 2010 Trading Entities- Companies, Partnerships etc.

Balance Date: ...../...../2010

The following information may be required to complete your annual financial statements. Please either attach separate schedules and place a tick next to the question or write the details in the space provided. Please attach specific documents where requested. Completion of this checklist in full will mean we can complete the work faster, reduce the number of queries and ultimately our fees.

If you run a general ledger include a hard copy detailed general ledger printout by account. Or you can send us your MYOB back up file (with details of the version and any password).

You can upload electronic records to the secure area of our website and this is safer than emailing the records. To set up your own secure area, please contact us on [info@stephensonthorner.co.nz](mailto:info@stephensonthorner.co.nz).

		Yes or Attached	No or N/A
1	<b>Bank Statements and/or Cashbooks:</b> For <u>all</u> business accounts, including the loan account, and the statement for balance date <b>and</b> the month after balance date. Ensure none are missing, and that the type of income or expense is apparent from your records.  Cash books should be analysed, added and reconciled to the bank statements. The GST portion of all receipts and payments should be clearly identified. If the cashbook is computerised, please provide a soft and hard copy of cashbook.  Suppliers' statements and invoices should be available if required.	<input type="checkbox"/>	<input type="checkbox"/>
2	<b>Day Books/Takings Books/Petty Cash Books:</b> Ensure these records cover the full year.	<input type="checkbox"/>	<input type="checkbox"/>
3	<b>Cash in Hand:</b> Complete the following -  Cash float in till at balance date \$.....  Unbanked sales at balance date \$.....  Last banking for year ...../...../2010 \$.....  Petty cash on hand \$.....	<input type="checkbox"/>	<input type="checkbox"/>
4	<b>Credit Card Statements:</b> Provide statements used for business purposes if the payment has not been analysed on your cheque butt or in your cash book.	<input type="checkbox"/>	<input type="checkbox"/>
5	<b>Out of Pocket Expenses:</b> (Including business entertainment, use of home office, parking meters, stationery, petrol, and postages) Supply details only of out of pocket expenses which have not been reimbursed by the business.	<input type="checkbox"/>	<input type="checkbox"/>
6	<b>GST Returns:</b> Provide copies of all worksheets & returns filed during the year	<input type="checkbox"/>	<input type="checkbox"/>
7	<b>Fringe Benefit Tax Returns:</b> Provide copies of all worksheets & returns filed during the year.	<input type="checkbox"/>	<input type="checkbox"/>
8	<b>New Loan Account Set Up/Old Loan Stopped:</b> Please attach the loan account and the summary.	<input type="checkbox"/>	<input type="checkbox"/>

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- |  |   | Yes or<br>Attached       | No or<br>N/A             |
|--|---|--------------------------|--------------------------|
| 9  | <b>Employees Remuneration:</b> Please supply a copy of your wage and PAYE statements (IR346) sent to IRD. Calculate leave owing to employees at balance date which has been or will be <u>paid out within 63 days of balance date</u> .   | <input type="checkbox"/> | <input type="checkbox"/> |
| 10   | <b>Inventory (Stocks) and Work in Progress:</b> These should be valued at the <u>lowest</u> of (a) actual cost, (b) market value, (c) replacement cost or (d) discounted selling price. In all cases the value should be <u>exclusive</u> of GST. <b>You must make and keep a stock list.</b> Include any consumables on hand, in excess of \$58,000? | <input type="checkbox"/> | <input type="checkbox"/> |
| 11   | <b>Work in Progress:</b> This should be valued at the lower of cost, including a share of direct and indirect costs or market value   | <input type="checkbox"/> | <input type="checkbox"/> |
| 12   | <b>Retentions:</b> list all retentions made under projects in progress.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 13   | <b>Goods Taken for Private Use:</b> Provide details of the cost price (GST exclusive) of goods taken from the business for private use without payment from personal funds.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 14   | <b>Accounts Receivable (Debtors):</b> List all amounts owing to you at balance date and indicate if any amounts are uncollectable. Indicate whether GST inclusive or exclusive.   | <input type="checkbox"/> | <input type="checkbox"/> |
| Note: If bad debts are to be a deductible expense in the current year they must be written out of the Debtors Ledger before the end of the financial year. |   |                          |                          |
| 15   | <b>Accounts Payable (Creditors):</b> List all amounts owing by you at balance date and indicate what each item is for. Indicate whether GST inclusive or exclusive.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 16   | <b>Advance Payments for Goods/Services/Charges:</b> Advise details of payments made/received for goods yet to be delivered, services yet to be rendered in full or unexpired expenses e.g. insurance, rent contracts etc.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 17   | <b>Purchase/Sale of Property:</b> If you purchase or sell a property (income Purpose), please attach the purchase/sale agreement.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 18   | <b>Fixed Assets:</b> If any fixed assets have been purchased or sold during the year provide full details, including date of purchase.  | <input type="checkbox"/> | <input type="checkbox"/> |

**PURCHASES**

Date	New(N) Used (U)	Description	Price Including GST	Asset Traded (if any)	Value Incl. GST
.....( )	.....	.....	\$.....	.....	\$.....
.....( )	.....	.....	\$.....	.....	\$.....
.....( )	.....	.....	\$.....	.....	\$.....
.....( )	.....	.....	\$.....	.....	\$.....

Attach a separate schedule if necessary

**SALES/SCRAPPED ASSETS**

Date	Description	Price Including GST	Tick if scrapped
.....	.....	\$.....	.....
.....	.....	\$.....	.....
.....	.....	\$.....	.....
.....	.....	\$.....	.....

- |    |  |                          |                          |
|----|--|--------------------------|--------------------------|
| 19 | <p><b>Property Rateable Valuations:</b> Provide a copy of your latest Rateable Valuation for all land and buildings owned. Property owning companies provide copies of any annual valuations made.</p>   | <input type="checkbox"/> | <input type="checkbox"/> |
| 20 | <p><b>Investments:</b> If you have made investments during the year either within NZ or overseas, supply full details including cost, income received, market value at balance date and brokerage paid. Include annual interest slips, dividend advice slips, dividend reinvestments notices, bonus issues, takeover advice etc.</p> | <input type="checkbox"/> | <input type="checkbox"/> |
| 21 | <p><b>Loans &amp; Hire Purchase:</b> If any loans or hire purchase agreements have been raised or repaid during the year provide full details including all agreements, especially <u>solicitors statements</u>. Include loan balances as at 31 March 2010.</p>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 22 | <p><b>Overseas Income/Investments:</b> Provide full details of any overseas income or investments (deposits, shares, investment funds, superannuation funds, trusts etc) including overseas tax paid or deducted on your behalf.</p>   | <input type="checkbox"/> | <input type="checkbox"/> |
| 23 | <p><b>Non-Cash Benefits (Closely Held Companies Only):</b> Give details of any such benefits (e.g. stock at below market selling price, interest free loans, company assets used privately etc) enjoyed. Attach any FBT returns filed in respect of these benefits.</p>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 24 | <p><b>Entertainment:</b> You can only claim 50% of most entertainment expenditure enjoyed in NZ and overseas. However, there are exemptions and exceptions. List entertainment and give a brief explanation of each.</p>   | <input type="checkbox"/> | <input type="checkbox"/> |
| 25 | <p><b>Legal Fees:</b> Attach copies of all statements and correspondence where appropriate.</p>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 26 | <p><b>Repairs &amp; Maintenance:</b> Provide details of significant repairs and maintenance, alterations and modifications</p>   | <input type="checkbox"/> | <input type="checkbox"/> |



33      **Financial Reporting Act 1993**

If your business is a company please advise the following information:

- |    |   |                          |                          |
|----|---|--------------------------|--------------------------|
| a) | All dealing in the company's shares by each director.   | <input type="checkbox"/> | <input type="checkbox"/> |
| b) | All transactions conducted by the company in which any director or shareholder has an interest in the transaction. <input type="checkbox"/> | <input type="checkbox"/> |                          |
| c) | Remuneration and benefits paid or provided to each director (this includes any PAYE salary).  | <input type="checkbox"/> | <input type="checkbox"/> |
| d) | Any use of company information by each director.  | <input type="checkbox"/> | <input type="checkbox"/> |
- 34      **Has the nature of your business changed in any way during the past 12 months?** If yes, please provide brief details.
- 35      **Changes in Directors or Shareholders:** If your business is a company, give details of any new shareholders or directors and the date the change occurred.
- 36      **Other Information:** Is there any other information that you consider relevant to your financial statements. Please provide details.
- 37      **Additional Copies of Accounts**         
Copies to be sent to -  
(E.g. Banks and Lending Institutions etc.).
- 38      **Bank Account Details:** If you would like your tax refund to be direct credited to your bank account, please provide bank account details.

Account Name: \_\_\_\_\_

Account Number:

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## Terms of Engagement

We confirm that the terms of the engagement are as follows:-

- That we have engaged Stephenson Thorner Limited to compile our annual financial statements in accordance with SES 2 *Compilation of Financial Information* based on information provided by us, and that Stephenson Thorner will also prepare the income tax return. Stephenson Thorner Limited has not been requested to perform an audit or review engagement.
- We accept and understand that Stephenson Thorner Limited will provide no assurances regarding the financial information resulting from the compilation process.
- We have provided all the information that is required to enable Stephenson Thorner Limited to complete the engagement.
- We accept the responsibility for the accuracy of the financial statements and the assertions contained in them. The responsibility of Stephenson Thorner Limited is to compile the financial statements from the data supplied by us.
- We accept and understand that Stephenson Thorner Limited will have no responsibility to third parties to whom we provide the financial statements and who may rely on them. Any copies of the financial statements which we distribute to third parties will have Stephenson Thorner Limited's Compilation Report and Disclaimer of Liability attached.
- We accept and understand that when applicable the financial statements will be prepared and presented in accordance with Generally Accepted Accounting Practice.
- We accept that we have primary responsibility for meeting our tax obligations. These obligations include keeping the required records, ensuring tax returns are true and correct, filing tax returns on time and meeting tax payment obligations.
- We accept responsibility for any additional tax, penalties and use of money interest that may be imposed (by way of audit activity or otherwise) by the Inland Revenue Department on information used to compile returns by Stephenson Thorner Limited.
- We accept that considerable uncertainty can arise when applying tax law to specific situations and Stephenson Thorner Limited cannot guarantee their advice will be accepted by the Inland Revenue Department.
- The aggregate liability (including interest and costs) of Stephenson Thorner Limited, to us, whether in contract or tort including negligence, resulting from all breaches of these Terms of Engagement, shall be limited to three times annual fees. In no circumstances will Stephenson Thorner Limited be liable to us for accidental, indirect, special or consequential losses or damages (including loss of profits) even if Stephenson Thorner Limited were advised of, knew, or should have known of the possibility of such losses or damages.
- We acknowledge and agree that, as part of the ongoing quality control initiatives of the New Zealand Institute of Chartered Accountants, files relating to assignments completed on my behalf may be examined on a random test basis by an official reviewer appointed by the Institute for this purpose.

We acknowledge and accept the terms of engagement summarised above and we instruct you to act as our tax agent with the Inland Revenue Department for all tax types and that all tax types will be linked to Stephenson Thorner Limited. We accept that this authority allows Stephenson Thorner to obtain information from Inland Revenue Department via telephone, facsimile, internet and mail.

Signed: .....

Date: ...../...../.....