

mackay  
bailey  
butchard



Chartered Accountants and  
Business Development  
Advisors

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# INFORMATION QUESTIONNAIRE

## FOR

# BUSINESS FINANCIAL STATEMENTS

## FOR 2010 INCOME TAX YEAR

**NAME:**

**Balance Date:** 31 March 2010

**Have your contact details changed?**

**Phone:**

**Fax:**

**Mobile:**

**E-mail:**

**Postal address:**

Please take the time to work through this questionnaire thoroughly and action each point that is applicable to you.  
This will greatly assist us in the efficient preparation of your income tax return.



*Directors*  
Geoffrey Bailey  
Tania King  
James Nell  
Michael Woodward  
*Consultant*  
John Butchard  
*Associate*  
David Kennedy



## TERMS OF ENGAGEMENT

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 and fraud and you accept no liability for the accuracy and completeness of the information supplied by me.

I further understand the financial statements will be prepared at my request and for my purposes only and neither you nor any of your employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.

## COMPANIES

### (i) Exempt Companies

I further understand because the company is an exempt company for the purposes of the Financial Reporting Act 1993 the financial statements will be prepared in accordance with Section 12 of that Act and the Financial Reporting Order 1994.

### (ii) Reporting Entities

I further understand because the entity is a reporting entity for the purposes of the Financial Reporting Act 1993 the financial statements will be general purpose reports which comply with generally accepted accounting practice as required by Section 11(1) of that Act.

## ALL OTHER ENTITIES

I further understand that the financial statements will be prepared on a special purpose reporting basis for taxation purposes only on the principles contained in the Income Tax Act.

Accordingly the financial statements may not be appropriate for general use and should not be relied upon for any other purposes.

I also accept responsibility for all other records and information supplied to you other than those listed. I accept responsibility for any failure by me to supply all relevant records and information to you.

**(The above statement is required by the New Zealand Institute of Chartered Accountants. Accounting Standard: "Compilation of Financial Information" (SES-2)).**

I, the undersigned, authorise my accountants, Mackay Bailey Butchard Limited, to act on my behalf in dealings with the Inland Revenue Department on all tax types and activities.

I, the undersigned, authorise Mackay Bailey Butchard Limited to communicate with the appropriate bankers, solicitors, finance companies and other persons and organisations to obtain such further information as they may require to carry out the terms of engagement.

**(Due to the Privacy Act 1993 and the Tax Administration Act 1994 we require your written authorisation for us to discuss any tax matters with the Inland Revenue Department).**

Signature: \_\_\_\_\_

Full Name: \_\_\_\_\_

Date Completed: \_\_\_\_\_

**GENERAL**

When do you require your accounts completed by? \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Do you want to discuss your draft financial accounts before they are finalised? Yes / No

Would you like your draft accounts sent to you via email? Yes / No

Would you like a meeting to discuss your business affairs and tax returns? Yes / No

Would you like us to supply you with a second copy of your financial accounts for your bank? Yes / No

If you want us to send these directly to the Bank, please advise the contact person and their e-mail address:

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If your return results in a refund being due, would you like the refund:

(i) sent to you in full \_\_\_\_\_

OR

(ii) used to offset your Provisional Tax liability \_\_\_\_\_

OR

(iii) applied towards your Accountancy Fees \_\_\_\_\_

(Please tick one)

**CAN WE HELP YOU?****Comments****Goods and Services Tax**

Do you require assistance with preparing your GST Return? Yes / No

Do you require assistance with establishment of a computerised record keeping system for GST? Yes / No

Do you have any particular GST problems which we can help you with? Yes / No

**Budget and Cash Flow Projections / Two Year Tax Projection**

Would you like us to prepare any of the above for you? Yes / No

**Nature of Business**

Has the nature of your business changed in any way during the past year? Yes / No

**Purpose of Financial Statements**

For what purposes are the financial statements to be used? \_\_\_\_\_

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RECORDS AND INFORMATION REQUIRED	Records and Information Supplied
<p><b>Either</b></p> <p><b>Bank Statements</b>            -For all accounts operated by the business. Statements should cover the full period plus one month after balance date. Please obtain any missing statements from your bank.            -All cheque books and deposit books.</p> <p>-You can note income or withdrawal details on the bank statements, including automatic payments, if this is preferred.</p> <p><b>Or</b></p> <p><b>Cash Book</b>            Please supply a reconciled back up of your cashbook.            You can email backups to backups@mbb.co.nz.</p> <p><b>Computer Cash Book or Ledger</b>            If you are sending in a backup, please make it <b>AFTER</b> all processing and <b>BEFORE</b> you roll a Year End.</p> <p><b>Users of MYOB</b>            In addition to the above instructions, where you are synchronising your General Ledger to the financial accounts prepared by us, <b>DO NOT</b> "start a new year" until the ledgers have been reconciled. Just future date the new year transactions. This enables the year-end adjustments to be made in the correct year.</p>	
<p>(i) <b>Savings Accounts, Term Deposits,</b>            -including withholding tax certificates. Mark the nature of entries where this is not obvious.</p> <p>(ii) <b>Shares</b>            -If the business has bought or sold any shares during the year please supply details as to price, number of shares traded and date of purchase / sale.            Also provide any dividend certificates received.</p>	
<p><b>Copies of all GST Returns and Workings</b></p>	
<p><b>Copies of all Fringe Benefit Tax Returns and Supporting Workings</b></p>	
<p><b>Insurance Company Invoices</b>            These are required to analyse your insurance premiums into motor vehicle, work, income protection, home and contents etc insurance.</p>	
<p><b>Dividend or Interest RWT Paid</b> If you have made dividend RWT or interest RWT payments to the Inland Revenue Department please supply copies of IR 4K or IR 15P forms on which the payments were made and the supporting annual reconciliation (IR 15S).</p>	
<p><b>Solicitor's Statements</b> (To enable analysis of legal fees, sale and/or purchase of property)</p>	



<p><b>Contingent Liabilities</b> Please supply details of any matters which may lead to a future liability which remains uncertain at balance date.</p> <p><b>Details:</b> _____</p> <p style="text-align: right;"><b>Estimated Cost: \$</b>_____</p>	
<p><b>STOCK ON HAND / WORK IN PROGRESS</b></p> <p><b>NB</b> If your turnover is less than \$1,300,000 and You estimate the value of your stock on hand as being less than \$10,000 you are permitted to use the value of your opening stock (i.e. last year's stock on hand) as being the value of your current year's stock on hand.</p> <p><b>Stock on hand</b> at balance date should be counted and valued, separate stock sheets should be prepared for stock purchased for resale, stock used in production and stock manufactured. Stock on hand should be valued using the lower of:</p> <ul style="list-style-type: none"> <li>(i) Cost</li> <li>(ii) Market Selling Price</li> </ul> <p><b>If you need any assistance with stock valuation please contact us.</b> Specify whether GST is included or excluded. <span style="float: right;"><b>Included / Excluded</b></span></p> <p>Date of Stock take: _____ / _____ / _____</p> <p>Value of Stock on Hand: \$ _____</p> <p><b>Work in progress</b> at balance date should be counted and valued and schedules should be prepared as for stock on hand. Work in progress should be valued at cost of materials, direct labour and factory overhead after deducting progress payments. Profit margins should not be included.</p> <p>Specify whether GST is included or excluded. <span style="float: right;"><b>Included / Excluded</b></span></p> <p>Value of work in progress: \$ _____</p>	
<p><b>ACCOUNTS RECEIVABLE (Sundry Debtors)</b></p> <p>Please supply a list of amounts owing to you at balance date. Exclude those already written off during the year. Specify whether GST is included or excluded. <span style="float: right;"><b>Included / Excluded</b></span></p> <p><b>Total at Balance Date:</b> \$ _____</p> <p><b>Bad Debts Written Off During Year:</b> \$ _____</p> <p><b>IMPORTANT:</b> If Bad Debts are to be a deductible expense for income tax purposes then they must be written out of your Debtors Ledger no later than your balance date. List Supplied / NA</p> <p><b>Note:</b> If you are using an accounting package please ensure that the total for accounts receivable in the trial balance reconciles to the total per the debtors listing.</p>	



<p><b>ACCOUNTS PAYABLE (Sundry Creditors)</b></p> <p>Please supply a list of amounts owing by you at balance date, that is, invoices dated before balance date and paid after. Please indicate name of creditor, amount and what it is for. Alternatively, mark on cheque butts as soon as possible after balance date or highlight in the cash book those items after balance date which should be included. Specify whether GST is included or excluded.</p> <p style="text-align: right;"><b>Included</b> /</p> <p><b>Excluded.</b></p> <p>Total at Balance Date: \$ _____ List Supplied / NA</p> <p><b>Note:</b> If you are using an accounting package please ensure that the total for accounts payable in the trial balance reconciles to the total per the creditors listing.</p>	
<p><b>CASH ON HAND</b> Note details of the <b>last banking</b> for the financial year</p> <p>Date: _____ Amount: \$ _____</p> <p>Cash on hand at balance date</p> <p>- Unbanked takings \$ _____</p> <p>- Petty cash float \$ _____</p> <p>- Till float \$ _____</p>	
<p><b>CASH INCOME DURING YEAR NOT BANKED</b></p> <p>Were all takings banked into your business account? Yes / No</p> <p>If not, enter the amount not banked, but used:</p> <p>(i) for personal expenses \$ _____</p> <p>(ii) for business expenses (please provide details) \$ _____</p> <p>(iii) deposited into other accounts (please provide details) \$ _____</p>	



**PARTICULARS OF ANY CAPITAL IMPROVEMENTS OR NEW ASSETS PURCHASED**

Asset Description	New (N) or Used (U) (delete as appropriate)	Total Paid (incl GST)	Date	Details of Any Asset Traded In
_____	N / U	_____	_____	_____
_____	N / U	_____	_____	_____
_____	N / U	_____	_____	_____
_____	N / U	_____	_____	_____
_____	N / U	_____	_____	_____
_____	N / U	_____	_____	_____
_____	N / U	_____	_____	_____
_____	N / U	_____	_____	_____

**(Please supply Hire Purchase Agreements if applicable)**

**Please Note: Computer software purchases may be a fixed asset under certain circumstances.**

**PARTICULARS OF ASSETS SOLD OR SCRAPPED DURING THE YEAR**

(You may wish to refer to last years depreciation schedule included with your financial statements)

Asset Description	Date Sold	Total Received (incl GST)	Tick if Scrapped	Details of Replacement Asset if Traded
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____



<p><b>REPAIRS AND MAINTENANCE</b>          If information is not recorded <b>in full</b> on cheque butts or cash books, please provide details of <b>major</b> repairs and maintenance to business assets during financial period.</p> <p style="text-align: center;">Supplied / NA</p> <p><b>We can help you decide whether expenditure is for improvements or repairs and maintenance.</b></p>													
<p><b>TAX DEDUCTION FOR WORK DONE AT HOME</b>          Do you use your own home for business purposes? <span style="float: right;">Yes / No</span>          If yes, provide the following details: <span style="float: right;"><b>GST Included / Excluded</b></span></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 30%;">Interest paid on Mortgage</td> <td style="width: 20%;">\$ _____</td> <td style="width: 10%;">Rates</td> <td style="width: 40%;">\$ _____</td> </tr> <tr> <td>Repairs</td> <td>\$ _____</td> <td>Power</td> <td>\$ _____</td> </tr> <tr> <td>Any other house expenses</td> <td>\$ _____</td> <td>Insurance</td> <td>\$ _____</td> </tr> </table> <p>If house or flat rented - total rents paid <span style="float: right;">\$ _____</span></p> <p>Please supply the following <b>only if</b> different from previous years.</p> <p>Date property changed: _____</p> <p>Total Area of Home: _____</p> <p>Total Area of Room used for Business: _____</p> <p>Purchase Price of Property: <span style="float: right;">\$ _____</span></p> <p><b>Please attach the last rates demand.</b></p>	Interest paid on Mortgage	\$ _____	Rates	\$ _____	Repairs	\$ _____	Power	\$ _____	Any other house expenses	\$ _____	Insurance	\$ _____	
Interest paid on Mortgage	\$ _____	Rates	\$ _____										
Repairs	\$ _____	Power	\$ _____										
Any other house expenses	\$ _____	Insurance	\$ _____										

**BUSINESS MOTOR VEHICLE(S)**

The Inland Revenue Department require log books to cover three months and to be updated once every three years.

What period did your last log book cover? \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_

From your log book, please supply total distances travelled this year, distances travelled on business matters, or alternatively supply us with your three month log book.

**Vehicle:** \_\_\_\_\_

Business Travel: \_\_\_\_\_kms

Total Distance Travelled: \_\_\_\_\_kms

**Vehicle:** \_\_\_\_\_

Business Travel: \_\_\_\_\_kms

Total Distance Travelled: \_\_\_\_\_kms

Have GST adjustments been made for private use during the year? Yes / No

If yes, please supply details.

\_\_\_\_\_  
\_\_\_\_\_

**PRIVATE USE**

Portion of expenses incurred to be allocated as private:

**GST Included / Excluded**

Telephone (if only one phone in home) 50% \_\_\_\_\_

Tolls (actual) \$ \_\_\_\_\_

Power \_\_\_\_\_%

Goods for own use (at cost price) \$ \_\_\_\_\_

**BUSINESS EXPENSES FROM PERSONAL FUNDS**

Please list Expenses paid out from personal funds relating to business and / or supply invoices/details.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Estimate of weekly out of pocket expenses \$ \_\_\_\_\_per week



### ENTERTAINMENT EXPENSES

Please attach details of business entertainment expenses - i.e., the provision of food, beverages and recreation and any transport / accommodation - incurred during the financial period.

Many of these expenses are only 50% deductible unless special criteria are met.

### LOANS AND MORTGAGES

**Have you raised or repaid any mortgages and/or loans in the financial period?** Yes / No

If yes, please supply details/documents, including:

Mortgagee or Lender:

Term:

Principal Sum:

Commencement Date:

Security:

Interest Rate:

Also, please attach copies of solicitors' settlement or relevant documents.

Latest Government valuations for land and buildings (if applicable) and date.

**Supply verification from the lender of existing loans owing at Balance Date, i.e. year end loan statements.**

### HIRE PURCHASE

If you have entered into any hire purchase agreements during the year please supply:

Copies of hire purchase agreements

Copies of the associated sales invoice and details of any trade in.

### COMPANY ADMINISTRATION

We appreciate that in most instances, and in particular where Mackay Bailey Butchard Ltd is the registered office, we will have attended to the necessary documentation. However because of the potential income tax and penalty implications of not documenting such matters on a timely basis it is appropriate to ask the following questions:

Have there been any changes in Directors during the year? Yes / No

Have any share transfers taken place during the year? Yes / No

Are any share transfers likely to take place in the coming year? Yes / No  
(This could affect the company's Qualifying Company or Loss Attributing Qualifying Company status).

Have any Directors had an interest in contracts entered into by the company? Yes / No

If yes, has this been entered in the Interests Register? Yes / No  
(Please provide a copy of the Interests Register if Mackay Bailey Butchard Ltd is not the registered office).

Have there been any distributions to shareholders during the year? Yes / No  
(At the time of distribution the Directors must sign a certificate that the company is solvent).

Please provide details of company vehicles available for private use and other benefits provided to Directors, Shareholders and Employees.

**Thank you for completing this questionnaire. Please don't forget to sign where indicated on page 2.**