

Farming Checklist:

Personal Details:

Name:	
Balance Date:	
Address: <i>Please include PostCode:</i>	
Business Phone:	
Home Phone:	
Mobile:	
Fax/other:	
Email:	

To: Barnes Mossman Ltd - Terms of Engagement

I/We hereby instruct you to prepare my/our Financial Statements and Taxation Returns. I/We undertake to supply all information necessary to carry out such services, and will be responsible for the accuracy and completeness of such information. I/We understand that you will rely upon the information provided by me/us. 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/We understand that during preparation of the Financial Statements and Taxation Returns 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/our attention.

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

The complete terms of engagement are set out in our engagement letter previously issued to you.

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

You are hereby authorised to communicate with my/our bankers, solicitors, finance companies and other persons or government organisations to obtain such information as you require in order to complete the above assignments. You are to represent me/us as my/our tax agent.

Signature: _____ **Date:** _____

Can we provide any assistance in, or further information about:

	Yes	No
Monthly/quarterly management reporting		
Cashflow forecasting and/or budget preparation		
Business valuation		
Trusts, wills and or succession planning		
Human Resource issues		
Insurance needs (both business and personal)		
Investment advice and financial planning		
Any specific business issues you may be experiencing		
Provision of Industry Benchmark results		
Would you like us to supply a copy of your annual accounts to your bank?		

- Please **CAREFULLY** complete **ALL** of the following questions and provide the relevant information.
- Record any additional or supporting comments on this checklist or attach a separate sheet if required.
- Should you require any assistance completing this form, please contact one of the Barnes Mossman team.

SECTION A: How do you process your financial information:

Computer Generated Information e.g. MYOB, Xero, Concept Cash Manager	Supplied	
	Yes	N/A
<i>Method 1 (preferred): Send in a backup and provide:</i>		
<ul style="list-style-type: none"> • Program used: _____ Version number: _____ Username: _____ Password: _____ 		
<ul style="list-style-type: none"> • Copies of bank statements for all bank accounts showing closing balance at balance date 		
<ul style="list-style-type: none"> • <i>Please note</i> that we may be able to obtain some of the information requested in Section B directly from your computer system. In this situation, please annotate accordingly beside each area. 		
<i>Method 2: No backup and provide copies of:</i>		
<ul style="list-style-type: none"> • Ledger summary 		
<ul style="list-style-type: none"> • Detailed general ledger 		
<ul style="list-style-type: none"> • Creditor control/reconciliation report 		
<ul style="list-style-type: none"> • Debtor control/reconciliation report 		
<ul style="list-style-type: none"> • Bank statements for all bank accounts showing closing balances at balance date 		
Manual Cashbook:	Yes	N/A
<ul style="list-style-type: none"> • Cashbook written up with bank reconciliation completed up to and including one month past balance date 		
<ul style="list-style-type: none"> • Copies of bank statements for ALL bank accounts showing closing balance at balance date 		
Bank Statements:	Yes	N/A
<ul style="list-style-type: none"> • Bank statements for ALL business accounts including, savings, term deposits up to and including one month after balance date 		
<ul style="list-style-type: none"> • Cheque butts and deposit books – with full details on all butts up to one month after balance date 		

SECTION B: All methods of processing provide copies of: (tick either yes or n/a)

	Supplied	
	Yes	N/A
Loan Statements		
<ul style="list-style-type: none"> Any loan transaction statements for the financial year up to your balance date. 		
Goods and Services Tax (GST) Returns	Yes	N/A
<ul style="list-style-type: none"> Copies of Goods and Services Tax (GST) Returns and work papers 		
<ul style="list-style-type: none"> The GST rate change adjustment calculation sheet (GST 105) if used. 		
Accounts Receivable (Debtors) see attached Schedule 1	Yes	N/A
<ul style="list-style-type: none"> All accounts or amounts owing to you at balance date should be scheduled but exclude any which you are reasonably sure, won't be paid. Any accounts that you believe are bad debts <u>must be written off PRIOR</u> to balance date. 		
Accounts Payable (Creditors) see attached Schedule 2	Yes	N/A
<ul style="list-style-type: none"> All accounts or amounts owing by you at balance date should be listed indicating the name of the creditor, the amount and what the debt is for. 		
<ul style="list-style-type: none"> Alternatively, mark on the cheque butt (with s/c) or highlight the cashbook 		
<ul style="list-style-type: none"> Please advise any holiday pay or bonuses paid with 63 days of your balance date. 		
Livestock on Hand	Yes	N/A
<ul style="list-style-type: none"> Please complete schedules 4 and/or 5 		
<ul style="list-style-type: none"> Please complete schedule 6 		
Consumables on Hand	Yes	N/A
<p>If the value of total unused consumables on hand at balance date exceeds \$58,000 <i>please provide full details.</i></p> <p>This threshold is for the combined value, not the individual values. Examples include fencing materials, ear tags, dips, drenches, animal health remedies, fertiliser, purchased supplementary feed, petrol, diesel, oil, twine, alkathene pipe etc. <i>Please note</i>, that this <u>does not</u> include home grown hay/silage and only includes purchased feed costs.</p>		
<ul style="list-style-type: none"> Please estimate the cost (excl GST) of consumables on hand: <ul style="list-style-type: none"> Petrol, Diesel and Oil Fencing Materials Water Piping and other items held for water system repairs Dairy Shed Supplies (cleaning products, teat spray etc) Shearing Shed supplies Animal Health Products (eg. drench, dip, mastitis treatment) Other farm stores Fertiliser Purchased stock feed (at cost) eg. Hay, Silage, Grain, Palm Kernel TOTAL COST 	 <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	

Unsold Produce		Yes	N/A
Please provide full details of any produce on hand at balance date that is intended for sale.			
Category	Quantity	Estimated Value (excl GST)	
Wool	_____ kg	_____	
Timber	_____	_____	
Hay	_____ Tonnes dry matter	_____	
Silage	_____ Tonnes dry matter	_____	
Grain	_____ Tonnes	_____	
Honey	_____ Kg	_____	
Firewood	_____	_____	
Other Produce, Harvested Crops & Fruit			
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
Total Value		_____	
Capital Expenditure (Fixed Assets) – see attached Schedule 3		Yes	N/A
<ul style="list-style-type: none"> List details of assets purchased, sold or written off during the year. Where applicable provide copies of: <ul style="list-style-type: none"> – Hire Purchase or loan agreements – Lease Agreements – All legal statements and agreements – Trade in details – Lost, stolen or scrapped items – Copies of tax invoices 			
Development expenditure includes clearing land, drainage, construction of roads, irrigation, supporting frames for crops, construction of fences (where there are no existing fences), etc. It can also include costs such as fertiliser or regrassing if you are undertaking a major conversion project.			
<ul style="list-style-type: none"> Please provide full details and copies of invoices if you have undertaken any work of this type. 			
Interest and Dividend Certificates		Yes	N/A
<ul style="list-style-type: none"> Copies of certificates 			
Legal Documents		Yes	N/A
<ul style="list-style-type: none"> Attach any: <ul style="list-style-type: none"> – Solicitors Statements & Sale and Purchase Agreements – Mortgage Agreements – Hire Purchase or Lease Agreements 			
Property Valuation		Yes	N/A
<ul style="list-style-type: none"> Copies of the latest Quotable Valuation for any properties you own 			
Employers – Wages paid to Employees }???		Yes	N/A
<ul style="list-style-type: none"> A month by month summary of Gross Wages and PAYE deductions as returned to the IRD or A copy of your Employer Monthly Deductions Schedule (IR345) 			

Miscellaneous Expenses		Yes	N/A
Attach copies of invoices relating to any of the following:			
• Insurance policies			
• ACC invoices or repayment schedules			
• Repairs and maintenance expenses over \$500			
• Overseas business travel			
Donations		Yes	N/A
A donation is an unconditional gift only if the giver receives nothing in return.			
If a company makes a donation to a donee organization, it can claim a deduction. The maximum deduction allowable is limited to the amount of the Company's net income, calculated before taking the donation into account. Approved donee organizations can be found at: www.ird.govt.nz under the tab "Non-profit organizations" & "Donee organizations".			
• Provide receipts if applicable			
Transactions not processed through the Business Bank Account		Yes	No
• Were all sales banked into your business bank account? If no, list the amounts not banked and when they were lodged			
– Paid as wages	\$		
– Taken as personal drawings	\$		
– Banked into other bank accounts	\$		
– Other	\$		
Private use		Yes	N/A
• Attach details of livestock killed for own use during the year Number: _____ \$ _____ (cost price)			
• Enter the value of any private tolls made during the year \$ _____ (cost price)			
• Provide any details of private insurance paid by the business			
• Provide any details of private power paid by the business			
Business expenses paid from personal funds		Yes	N/A
• Provide details if applicable			
Home Office Expenses			
If part of your home is set aside for use as an office or workshop or storage area, please provide the following details:			
• Business Area: _____ square metres	• Total Area: _____ square metres		
		Total cost:	
• Power		\$	
• Insurance – house		\$	
• Insurance – contents		\$	
• Interest on mortgage		\$	
• Rates		\$	
• Repairs and Maintenance (provide details)		\$	
• Other (please detail)		\$	

Vehicles

Motor vehicle expenses are generally deductible if the vehicle is used to help earn income for the business. If the vehicle is not used **exclusively** for the business (travelling to and from home is not a business related expense), then you are not able to claim 100% of the vehicle expenses.

To help us determine, what vehicle expenses can be claimed please complete the following:

	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5
Make					
Model					
Registration no.					
Vehicle type eg. Ute, Light pickup, Truck, Taxi, Minibus or Sedan					
Registered Owner					
Is the vehicle used exclusively for business Y/N					
Dates and Logbook kept (from and to)					
Is the vehicle available for employees (including shareholder employees) for private use?					
Does the vehicle have permanent signwriting? Y/N					

FBT Returns

	Yes	N/A
<ul style="list-style-type: none"> If you complete your own FBT returns provide copies of returns and supporting paperwork 		

Were there any significant transactions during the year? e.g. land sale or purchase, refinance?

Please comment:

SCHEDULE 1: Accounts Receivable (Debtors)

These are sales or services that you have performed and invoiced up to and including the last day of the financial year that you have not yet received payment for. These are not to be included in Work In Progress.

If you have your own Debtors Ledger, you do not have to complete this sheet. Instead attach a copy of your Debtors Ledger.

Name:	Details:	GST exclusive Amount:	GST:	GST Inclusive Amount:
TOTAL ACCOUNTS RECEIVABLE:		\$	\$	\$

SCHEDULE 2: Accounts Payable (Creditors)

These are invoices for expenses dated up to and including the last day of the financial year you have received but have not yet paid, e.g. you purchase \$100 of stock, receive an invoice dated March, but don't pay for the invoice until April, yet the goods are in included in your stock take.

Please ensure that the details column is filled out, eg purchases, motor vehicle, power etc.

If you have your own Creditors Ledger you do not have to complete this sheet. Instead please attach a copy of your Creditors Ledger

Name:	Details:	GST exclusive Amount:	GST:	GST Inclusive Amount:
Inland Revenue Department	PAYE			
Inland Revenue Department	FBT			
Inland Revenue Department	RWT			
TOTAL ACCOUNTS PAYABLE::		\$	\$	\$

SCHEDULE 3: Fixed Assets

List details of assets purchased, sold or written off during the year.

Assets costing under \$500 (GST exclusive) can usually be fully claimed as an expense when purchased provided:

- They do not become part of, or an upgrade to, another asset, and
- They have not been purchased at the same time, from the same supplier, as another asset and the total cost is not more than \$500.

Full and complete information on any asset purchases should be provided to us to help maximize tax savings. As an example, when large fixed assets are acquired, it is sometimes possible to show each component separately to maximize the depreciation claim. Where applicable provide copies of:

- Copies of tax invoices
- Hire Purchase or Loan agreements
- Lease agreements
- All legal statements and agreements
- Trade in details

Due to changes in the depreciation rates, it is important that we know the **acquisition** date of new assets, not just payment date.

Assets Purchased/Sold					
Sale or purchase	Acquisition or sale date	Asset	Sale/cost price GST exclusive	New or Used (for purchases)	How financed

Please look at the Fixed Asset Schedule in your previous year’s Financial Statements and note any assets that you are no longer using in the business.

Assets No Longer Used	
Item name	Reason for write off

SCHEDULE 4: Livestock on Hand at Balance Date (Sheep & Cattle)

Total Area of the Farm: _____ Hectares

Effective Farm Area: _____ Hectares

SHEEP:		CATTLE:	Beef & Related	Fresian & Related	Jersey
5 yr & older Ewes		Cows - Mixed Age			
3 & 4 yr Ewes		R2 yr Heifers			
2th Ewes		R1 yr Heifers			
Ewe Hoggets		- bought in			
- bought in		- home bred			
- home bred		R3 yr & Older Steers			
M A Wethers		R2 yr Steers			
Rams		R1 yr Steers			
Ram Hoggets		- bought in			
- bought in		- home bred			
- home bred		R3 yr & Older Bulls			
Wether Hoggets		R2 yr Bulls			
- bought in		R1 yr Bulls			
- home bred		-bought in			
High Priced (Please list over page)		- home bred			
TOTAL		Bulls - Breeding			
Lambs Born		High Priced (Please list over page)			
Ewes to Ram		TOTAL			
Sheep Deaths, Killed & Missing		Calves Born			
Deaths		Cows to Bulls			
Missing		Cattle Deaths and Missing			
Killed for Dogs		Deaths			
Killed for Rations		Missing			
TOTAL		TOTAL			

SCHEDULE 5: Livestock on Hand at Balance Date (Deer, Goats & Pigs)

DEER:	Red	Wapiti	Other Breeds	GOATS:	Angora	Cashmere	Milking
R1 yr Hinds				1st Kidding Does			
- bought in				MA Does			
- home bred				Milking Nannies			
R2 yr Hinds				Breeding Bucks			
M A Hinds				MA Wether/Bucks			
R1 yr Stags				R1 yr Wether/Bucks			
- bought in				-bought in			
- home bred				- home bred			
R2 yr & Older Stags				Non Breeding Bucks			
Breeding Stags							
TOTAL				TOTAL			
Fawns Born				Kids Born			
Hinds to Stags				Does to Bucks			
Deaths, Missing and Kills				Deaths, Missing and Kills			
Deaths and Missing				Deaths and Missing			
PIGS:							
Breeding sows under 1 year				Weaners (less than 10 weeks)			
Breeding sows over 1 year				Porkers (10 - 17 weeks old)			
Boars				Baconers (over 17 weeks old)			
				Piglets born			

SCHEDULE 4: Livestock Reconciliation

In an effort to highlight problems in relation to accounting for livestock we set out below a livestock reconciliation form which should be completed for all types of livestock on hand. Please note this does not have to be done for all types of classes as with the listing for stock on hand. It relates only to total numbers.

	Sheep no's	Cattle no's	Deer/Goat no's
Opening stock (numbers on hand per last set of Financial Statements)			
ADD purchases for the year			
ADD natural increase (this figure should be same as entered on the livestock on hand statement)			
LESS sales for the year			
LESS closing stock on hand as per Livestock on Hand Statement			
Equals DEATHS & MISSINGS			
Please comment as to whether this figure is realistic:			
<i>Livestock sent own account for which no advance has been received:</i>			
Number and type			
Schedule value			
Are they included in the numbers in your Livestock on Hand Schedules?	Yes / No		