

**Please complete with information we need for your
Business Accounts and Income Tax Return**

Name _____
Year _____
Ended _____

Yes (✓) Information to send :

1. What accounting system do you use?
 - Carter & Assoc. process my transactions or Xero
 - I use another computerised system
 - System
 - General ledger printout
 - Trial balance
 - Bank reconciliation at year end
 - Profit and loss or cashbook report
 - Balance sheet
 - Debtors printout
 - Creditors printout
 - A manual system or cashbook
 - Your cashbook (if one is kept)
 - Bank reconciliation at balance date (if completed)
 - Cheque books and deposit books
 - Bank statements for the full year
 - Details of any cash received and not banked
2. Have there been any changes in shareholding or trusteeship? Details of any changes
3. Do you employ staff?
4. Did you have any loans, hire purchase or leases?
 - Copies of any new agreements
 - Loan/lease statements and interest rates.
 - Interest rates
5. Do you have stock, work in progress or goods in transit?
 - Stocktake workings
 - Work in progress workings
 - Goods in transit workings
6. Do you have Accounts Payable at year end?
(Entities you owe money to as at 31 March) Accounts payable listing as at year end
 Did you have Accounts Receivable at year end?
(Entities who owe you money as at 31 March) Accounts receivable listing at year end
 List of bad debts written off during the year

7. Have you sold or purchased land or buildings? Settlement Statement
Sale and purchase agreement
Lawyers invoice
Valuation
8. Have you purchased fixed assets during the year over \$500 (GST exclusive)? Description of assets including the date purchased, purchase price, and whether the asset was purchased new or second hand
9. Have you sold or disposed of fixed assets during the year? Description of assets including the date sold or disposed of and price
List of assets written off during the year
10. Do you pay Fringe Benefit Tax?
Yes, prepared by us A copy of all FBT returns and workings
Yes, prepared by Carter & Associates Chartered Accountants
No
11. Do you file GST returns?
Yes, prepared by us A copy of all GST returns and workings
Yes, prepared by Carter & Associates Chartered Accountants
No
12. Did you receive any interest or dividends during the year? Resident Withholding Tax certificates
Dividend Statements
13. Did you buy or sell investments (e.g. shares, bonds, debentures)? All documentation relating to the sale or purchase
14. Did you have any overseas income or expenses? Details of amounts received or paid
15. Did you buy or sell any overseas investments (e.g. shares, bonds, debentures)? A copy of all documentation relating to the sale or purchase
16. Insurance – have you reviewed the adequacy of business insurance this year?
17. Nature of business – has it changed? If yes, please provide details
18. Vehicle Expenses
Please schedule below the business percentage for each vehicle on which FBT is not paid.
- | <u>Vehicle</u> | <u>Business %</u> |
|----------------|-------------------|
| _____ | _____ |
| _____ | _____ |

Please note, if you have a business vehicle on which FBT is not paid, your claim will be limited to 25% if no logbook is kept. A logbook must be kept for a 3-month period every 3 years. If there is a change of vehicle usage within this period, the % must be recalculated using a logbook.

Personal Income Tax Return

- | | Yes
(tick
box) | Information to send : |
|--|-------------------------------|--|
| 1. Did you receive interest or dividends? | <input type="checkbox"/> | End of year interest certificates
Dividend statements |
| 2. Are you a shareholder or a director of a company that we do not act for? | <input type="checkbox"/> | Name and contact details for the accountant preparing financial statements for each other entity |
| 3. Do you receive income from an Estate, Trust, Partnership or Business that we do not act for? | <input type="checkbox"/> | Name and contact details for the accountant preparing financial statements for each other entity |
| 4. Do you receive rental income? | <input type="checkbox"/> | Please provide details of income & expenditure |
| 5. Do you receive income from overseas (e.g. interest or dividends)? | <input type="checkbox"/> | End of year interest statements,
Dividend statements
Other investment broker statements |
| 6. Do you have any overseas investments? | <input type="checkbox"/> | Provide full details |
| 7. Do you use the services of a portfolio advisor? | <input type="checkbox"/> | Portfolio advisor statement |
| 8. Do you receive any of the following types of income?
Sale of land and buildings
Sale of shares, bonds or other investments
Overseas pension, annuity or superannuation scheme (including any withdrawals)
Any other income (e.g. royalties)
Employee share option program
Share options | <input type="checkbox"/> | Details and documentation for any other income received |
| 9. Did you incur any expenses relating to earning your income, for example, income protection insurance or interest on loans used to purchase investments? | <input type="checkbox"/> | Confirmation of any premiums paid for income protection insurance
Details and invoices for other expenses |
| 10. Did you make any donations during the year? | <input type="checkbox"/> | Donation receipts |
| 11. Do you think you will be eligible for working for families (family assistance)? | <input type="checkbox"/> | Please supply details of children |

Would you please read the Terms of Engagement and if acceptable sign at the base. If you have any queries please do not hesitate to call us.

To: Carter & Associates Chartered Accountants Limited
TERMS OF ENGAGEMENT

On the basis of information and instructions you provide, we will compile any required financial statements for you. This engagement will be performed in accordance with Service Engagement Standard No. 2 *Compilation of Financial Information* (SES-2) issued by the New Zealand Institute of Chartered Accountants. SES-2 specifies that on completion of the engagement we will issue a compilation report and an appropriate disclaimer which will form part of the financial statements.

Our procedures will not include verification or validation procedures. No audit or review engagement will be performed and accordingly no assurance will be expressed.

Extent of Services

We do not accept any responsibility for the accuracy and completeness of the accounting records and other information you supply to us or for the reliability, accuracy and completeness of the financial information compiled on the basis of those records and information. We also do not accept any responsibility for the maintenance of adequate accounting records, an adequate internal control structure and the selection and application of appropriate accounting policies within your organisation. In addition, you are solely responsible to users of the financial information we compile.

Our engagement does not include the investigation or discovery of internal control weaknesses, errors, illegal acts or other irregularities, including without limitation, fraud, or non compliance with laws and regulations. However, we will inform you of any such matters which come to our attention during the course of our engagement.

Independence

Independence is not required for a compilation engagement. If we are aware that we are not independent of the entity for which we are preparing financial statements, this fact will be stated in our compilation report. However, we will not conduct a comprehensive review to determine whether we are or are not independent of the entity.

Investment Advice

Any investment advice that we might provide would be of a general nature only.

As you know we are a firm of Chartered Accountants in public practice and as such are governed by the professional ethics and continuing education requirements of the New Zealand Institute of Chartered Accountants (NZICA). Our practice on investment advice is to only give advice about investing and the different types of investment products available. We do not provide recommendations as to specific products.

Insurance

By your signature on this form you acknowledge that on a regular basis you review the adequacy and extent of insurance cover, and further acknowledge that we are not responsible for this function.

Use and Distribution of the Financial Information

We understand that the intended use and distribution of the financial information we will compile is for yourself and Inland Revenue purposes only. If this should change in any material respect, you will inform us immediately.

You may make copies of any reports for your own internal use. We accept no duty or responsibility to any party other than yourself who may seek to rely on our reports and furthermore you indemnify us against any claim by such other party in respect of the reports.

Information and Disclosure

All assignments will be conducted in accordance with the professional standards, rules and ethical requirements of the New Zealand Institute of Chartered Accountants. Information we obtain in the course of this engagement is subject to confidentiality requirements, in addition to our obligations under the Privacy Act 1993. We will not disclose that information to other parties without your express consent, except as required by law or professional obligations.

Privacy Act

In order for us to perform your assignments efficiently we require authority to liaise with both the Inland Revenue Department and other financial institutions that you are connected to.

As required by the Privacy Act, you authorise us to:

- Deal with the Inland Revenue Department for any purpose relating to your affairs. This authority also applies for the client linking system and internet access for all tax types with the Inland Revenue Department and Carter & Associates Chartered Accountants Ltd as tax agent.
- Communication with your Bank or other financial institutions in connection with your accounts and Income Tax / ACC.

Limitation of Liability

At all times we will use reasonable skill and care in providing our services to you. However, in spite of this our liability to you whether in contract, tort, equity or otherwise, for any loss or damage or expenses (including legal costs) suffered or incurred directly by you as a direct result of any act or omission by us in providing our services, shall be limited to a maximum amount equal to two times the fee (excluding GST, disbursements and expenses) paid to us by you in respect of the services in question. If the services were provided in respect of more than one financial year, the fee on which the liability amount is based shall be the fee paid in respect of the financial year in respect of which the act or omission occurred. Any claim against us must be brought within twelve months of the date on which we complete the services.

Fees and Payment

Unless otherwise agreed with you in writing our fees are calculated on the basis of the time spent on the assignment by our team and on the levels of skill and responsibility involved.

Our invoices will generally be issued on a monthly basis and all invoices will be due for payment on the 20th of the month following invoice date. We reserve the right to charge interest on overdue amounts at a maximum rate of 15% per annum.

If the work carried out by Carter & Associates Chartered Accountants Ltd is for a limited liability company or Trust, the persons signing this letter acknowledge that the work is being carried out at their request and accept responsibility jointly and severally with that entity and each other for the payment of its fees.

Please be aware that, like all other providers of services, we are entitled to retain possession of your records that have been used in relation to this engagement until outstanding fees are settled.

Ownership of Work Papers

Material that you provide to us remains yours and will be returned to you when the engagement is completed. Work papers that we create remain our property.

Where we provide taxation services for you we will store tax records that we hold on your behalf for a period of seven years after the applicable balance date. At the end of that period, unless you ask us to send that information to you, the records will be destroyed using a secure document destruction service.

Future Years

This letter applies for future years unless you or we wish to end or change the arrangement.

Conclusion

If you have any questions regarding this client questionnaire and letter of engagement please do not hesitate to call us. It is a requirement of The New Zealand Institute of Chartered Accountants that this questionnaire is signed and returned to us. In order to signify your acceptance of the terms of engagement, please sign and return to us.

Acknowledged on behalf ofby:

Name

Signature

Date

