



Business Tax Kit

2017/2018

Name _____

Saving us time saves you money. Completing this Tax Kit and providing the requested information assists us in efficiently preparing your Tax Returns.

If you need a hand we are happy to help you fill in the details.

Please read and sign the Substantiation Declaration

Thank you in advance for taking the time to complete

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... advisers to business

2017/2018 Substantiation Declaration

I confirm that you have advised me that I must demonstrate that I have incurred an expense for income producing purposes. In addition you have advised me of the stringent SUBSTANTIATION legislation I must satisfy in relation to work, car and business travel expenses.

In addition, you have informed me that I must OBTAIN ORIGINAL RECEIPTS and keep them for a minimum of five years from the date my return is lodged. The receipts must contain the following details:

1. Name of supplier;
2. Amount of expense;
3. Nature of goods and services, (noting the specific type of items purchased or expenditure incurred which I am able to personally record up to the date of lodgment of my return where not adequately noted by the supplier);
4. Date of expense, (which I am able to personally record where not noted by the supplier).

Penalties to apply with incorrect returns

You have also advised me that additional tax, penalties, interest and possible prosecution action may be taken against me by the ATO if I provide details which lead to an incorrect tax return being lodged.

In addition, you have informed me that an important feature of the new tax agent services regime which commenced on 1 March 2010 is the provision of a 'safe harbour' protection from penalties in certain circumstances for taxpayers who engage registered tax agents.

You have also advised me that in order to obtain the benefits of 'safe harbour' protection, I must provide you with 'all relevant taxation information' to enable accurate statements to be provided to the Australian Taxation Office.

Income from sources in and out of Australia for the year of income

You have advised me that as an Australian resident I must declare income from all sources, in and out of Australia, including net capital gains received, for the year of income in my tax return.

Apportionment

Where items are used for both business and private purposes eg car, mobile telephone, home telephone, computer, etc, I advise I have records to verify my business usage claim. In addition my employer will verify that it was necessary to incur such expenditure in earning my assessable income. Further, I have instructed you to prepare the return based on me being able to produce these records, if required.

Audit matters

I further confirm that:

- I. I am aware of the procedures to follow if a document is lost or destroyed;
- II. I may be required to verify any income or expense item noted in my return in the event of an ATO audit;
- III. I understand the Substantiation schedules I completed for all work, car and travel expense claims under self- assessment;
- IV. I understand that, for the purposes of obtaining "safe harbour" protection, it remains my responsibility to properly record matters relating to my tax affairs and to bring all of the relevant facts to your attention in order to show reasonable care; and
- V. I have read and understood the return prepared for me :

I declare that:

- a) I have disclosed and you have returned all of the income, including net capital gains which I have earned/received for the 2018 income year.
- b) All income declared, claims for deductions and tax offsets/rebates included in my return are based on my specific instructions and advise that I satisfy the relevant taxation requirements.
- c) I have the receipts or documentation necessary to substantiate the above claims and I will make them available if required by the Tax Office; and
- d) That you have clarified what written evidence (including car/travel records) will be required during an audit and penalties, (including prosecution) that may be applied if incorrect claims are identified in an audit situation.

Dated the _____ day of _____ 20_____

Signature of taxpayer

Email address for delivery of Notice of Assessment

2017/2018 Business Information Required

Please circle the answer to these questions. If 'Yes' follow the instructions as amounts, descriptions and supporting documents are needed.

1 Was all 2017/2018 income deposited into trading accounts?	No	Yes
If not, please supply details of:		
- Amounts deposited into other accounts	\$.....	
- Sales not banked (cash taken)	\$.....	
- Takings on hand at 30 June (i.e. banked in July)	\$.....	
2 Cash on hand at 30 June 2018		
-Petty cash	\$.....	
-Till float(s)	\$.....	
-Other amounts not banked	\$.....	
3 Bank Reconciliation	No	Yes
Please supply 30 June bank statements for all business accounts including loans (unless already provided). Bank reconciliations are required for any accounts with unrepresented cheques.		
4 Were any wages paid?	No	Yes
Please supply your copies of PAYG Payment Summaries (Group Certificates) and PAYG Payment Summary Statement.		
5 Did you give your staff any benefits?	No	Yes
Did you give employees in house stock, services or tools? If yes, please advise cost.		
	\$.....	
6 Did your family take or use any product/service without paying?	No	Yes
If so, what was the total value (at cost) including GST: If payment was made, was it full price, cost or some other value?		
	\$.....	
7 Was a car(s) used in earning business income?	No	Yes
If a claim is to be made please complete Schedule 1 . (Speedo Readings at June 30 are vital) (Note: One-Tonne Utilities and all commercial vehicles are exempt)		
8 Were any new loans, chattel mortgages or leases arranged?	No	Yes
Please supply loan, chattel mortgage or lease agreement(s) and any statements from the lender.		
9 Were any bad debts written off?	No	Yes
List names/amounts and what action was taken to collect these debts.		
10 Are business travel meals and accommodation expenses being claimed?	No	Yes
If so, please detail purpose of trip(s) and keep evidence of expenses incurred.		
11 Expenses paid by cash, credit card or personal funds?	No	Yes
If so, please provide details where these expenses have not previously been included in your financial records.		
12 Have you purchased any plant and equipment over \$1,000?	No	Yes
If so, please provide copies of invoices.		

13 Did you hold trading stock for resale at June 30?

No

Yes

Please supply a copy of the stock sheets indicating quantities and values ... and method of valuation (cost, market selling value or replacement value)

14 Was there any work in progress at June 30?

No

Yes

If so, please supply a list of all jobs in WIP including...

\$.....

At what stage of completion (%) was each job?

What was the total value of each job (quoted or invoiced price)?

How much had been received by June 30?

What expenses had been incurred on the job by June 30. (Includes creditors.)

You can STOP here if your business uses the Cash Method

The following questions and schedules **only apply** to businesses using accrual accounting.

15 Does your business have lay-by sales at June 30?

No

Yes

The unpaid balance at June 30, including GST:

\$.....

16 Did customers owe you any money at June 30?

No

Yes

Please complete **Schedule 2** or supply a copy of your **trade debtors** list.

\$.....

17 Did you owe suppliers any money at June 30?

No

Yes

Please complete **Schedule 3** or supply a list of your **trade creditors** indicating supplier name, amount owing and nature of the expense.

\$.....

18 Did any customers prepay any 2018/19 income?

No

Yes

If so, please detail the income received before June 30 for which your business did not provide the goods/services until after July 1.

\$.....

19 Did you pay more than \$1,000 for services provided that relate to next year?

No

Yes

If so, please complete **Schedule 4**. Eg. Insurance, leases, rent, etc.

Schedule 1 Car Expenses

Complete this section if you are claiming under the following methods

1. Set rate per kilometre method (To a maximum of 5000 business kms per driver)
2. Logbook Method

	Car 1	Car 2	Car 3
Speedo 01 July 2017			
Speedo 30 June 2018			
Make			
Model			
Registration Number			
Name registered under			
Engine Capacity	CC	CC	CC

No. of	Trips to	Car 1	Car 2	Car 3
	Trips to			

Other Business Travelling
Eg. Visiting Accountant

= Total Business Km

	Car 1	Car 2	Car 3
Log Book Business Use Percentage			
Log Book Date	Started		
Log Book Date	Finished		
Was the car sold during the year?	Y/N		

Schedule 2 Trade Debtors

Money owed by customers at June 30

Who to	Amount (GST Exclusive)	GST	What was the expense for?
Eg XYZ Pty Ltd	\$2,000	\$200	Sales
Eg ABC Pty Ltd	\$1,500	\$150	Sale of computer
Total	\$	\$	

Schedule 3 Trade Creditors

Money Owed to suppliers at June 30, including materials, stock purchases and overhead expenses

List all amounts owed even if your supplier is not expecting payment until July or August

Who to	Amount (GST Exclusive)	GST	What was the expense for?
Eg BCH Accountants	\$1,800	\$180	Accounting Fees
Total	\$	\$	

Schedule 4 Prepayments

Only include prepayments in excess of \$1,000 that were made **before** June 30 If **NOT eligible** for Small Business Entity Rules

Expense Category	Invoice Amount (GST Exclusive)	Period Covered		Apportionment of Expense	
		Start Date*	End Date^	2018 Claim	2019 Claim
Eg Insurance	\$4,000	01 April 2018	31 March 2019	\$1,000	\$3,000
Eg Equip Lease	\$9,000	01 April 2018	31 March 2019	\$2,250	\$6,750
Insurance					
Rent Business Premises					
Lease Payments Plant/Equipment					
Interest Business Loans					
Subscriptions & Associations					
Consultants or Managers Fees					
Advertising					
Professional Indemnity Insurance					
Stationary and Office Supplies					
Travel Expenses					
Seminars and Training					
Other					
Other					

Note * The date the supply or service is first used

Note ^ The final date of supply or service

- Prepayment Rules**
- 1- Prepayments under \$1,000 can be claimed in full in the year of payment
 - 2- Small Business Entities can elect to claim prepayments

If you are not sure how to complete this schedule, leave blank and please supply relevant tax invoices