



Z10f Farming Checklist:

| Personal Details: | Currently Held: | Amended: |
|--|-----------------|----------|
| Name: | | |
| Balance Date: | | |
| Address: <i>Please include Postcode:</i> | | |
| Business Phone: | | |
| Home Phone: | | |
| Mobile: | | |
| Fax/other: | | |
| Email: | | |

To: BM Accounting Limited - 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 | | |
| Staff Issues | | |
| Insurance needs (both business and personal) * | | |
| Investment advice and financial planning * | | |
| Would you like us to supply a copy of your annual accounts to your bank? | | |
| Debtors – Are you owed a lot of money? | | |

***Disclosure Statement**

BM Accounting Limited wishes to disclose that Spicers Hawke's Bay and East Coast is a related party in that TD Mossman and NR Chrystall, Directors of BM Accounting Limited are also Directors of Duart Financial Limited (operating as Spicers Hawke's Bay and East Coast).

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 BM Accounting team.

SECTION A: How do you process your financial information:

| Computer Generated Information e.g. MYOB, Xero, Concept Cash Manager | Supplied | |
|--|----------|-----|
| | Yes | N/A |
| Method 1 (preferred): <i>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. | | |
| Method 2: <i>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:

SCHEDULE B1: 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 | | |

SCHEDULE B2: 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 B3: 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 | | | |

| 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 | | Yes | N/A |
| <p>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.</p> <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 | | | |
| Farmlands, Ravensdown, Ballance, Silver Fern Farms | | Yes | N/A |
| <ul style="list-style-type: none"> Attach statements including details of loyalty rebates, dividends, shareholding and any bonus share issues. | | | |
| 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. | | | |
| • 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 e.g. 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) | | | | | |
| Please advise the number of days available for private use or private % | | | | | |
| 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

- 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 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. For 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 |
|-----------|----------------------|
| | |
| | |
| | |
| | |
| | |