

Business Check-List for 2006

Income

- Trading income
- Other income (e.g. rent, interest, royalties)
- Stock on hand (and basis of valuation) — note any obsolete stock – including W.I.P
- Primary producer subsidies (if assessable)
- Capital gains from CGT assets sold (e.g. real estate) [Documentation should incl dates and costs assoc with acquisition and disposal]
- Dividends [Details of any franking credits will be required]
- Income from foreign sources [Details of foreign tax paid will be required]

Deductions

- Repairs and maintenance (not capital)
- Interest on borrowed monies
- Deductions relating to foreign-source income are only deductible against foreign income of a similar class
- Prepayments are no longer immediately deductible, unless under \$1,000 or required to be prepaid by law
- Retirement payments and golden handshakes
- Bad debts actually written off during the year
- Donations of \$2 and over, depending on the recipient
- Legal expenses (not capital)
- Lease expenses for motor vehicles, premises and equipment
- Superannuation contributions
- Car expenses [Remember to include petrol, repairs and parking and maintain a log book where necessary]
- Royalties paid [Only deductible where withholding tax has been paid]
- Travel expenses [Details of the purpose and destination of any interstate or overseas trip should be provided. Expenses must be fully documented where travel involves at least one night away from home. Travel diaries should be incl where travel exceeds five nights]
- Eligible research and development expenditure by registered R&D company
- Borrowing costs which are deductible over the shorter of five years or the life of the loan/facility
- Blackhole expenditure which may be deductible over five years

Liabilities

- New loans taken out during the year and their purpose, including any new lease or hire purchase agreements
- Statements from the lending authority detailing the opening and closing balances of existing loans during the financial year
- Provisions for long service leave and annual leave
- Creditors on hand at the end of the financial year
- Details of loan accounts to directors, shareholders, beneficiaries and partners
- Accrued expenses (e.g. audit fees, interest payments and bonuses) and unearned revenue
- Commercial debts forgiven

Assets

- Details of depreciable assets acquired and/or disposed of during this income year, including:
- Details of CGT assets acquired, including the purchase price and other related costs
- Lease commitments
- Debtors on hand at the end of the financial year
- Commercial debts forgiven

Other Information Required

- Overseas transactions with related parties
- Private companies — remuneration or loans to directors, shareholders and their relatives