

MANAGEMENT RIGHTS BUSINESS CHECKLIST FINANCIAL YEAR – 1 JULY 2021 TO 30 JUNE 2022

Business Name: _____

Contact Person: _____

Preferred Phone: _____

Director 1 Email: _____

Director 2 Email: _____

	CLIENT COMMENTS / FURTHER DETAILS	REVIEWED & COMPLETED
GENERAL		
<p>FINANCIAL RECORDS</p> <p>Please indicate the system you use for your business record keeping. If Holmans don't already have access to your file - please send an invitation/access to:</p> <ul style="list-style-type: none"> ▪ Xero - xero@holmans.com.au ▪ MYOB online - myob.cloud@holmans.com.au ▪ Reckon / QuickBooks online - info@holmans.com.au ▪ Non-Online versions of MYOB, Reckon, QuickBooks – please provide copy of your data file (zip/back up file) and the following details: <p style="margin-left: 20px;">Version: _____</p> <p style="margin-left: 20px;">User ID: _____</p> <p style="margin-left: 20px;">Password: _____</p> 	<p>If you need to provide information to us to support your data file and source documents, please let us know and we will send you a link to upload your documents at.</p>	
<p>Before sending Holmans your financial records:</p> <ul style="list-style-type: none"> • Have you reviewed your data file/s? Do they appear reasonable? 		

	CLIENT COMMENTS / FURTHER DETAILS	REVIEWED & COMPLETED
<ul style="list-style-type: none"> ▪ Have all bank accounts/loans/credit cards been reconciled to the actual bank/loan/credit card statements? ▪ Is the income correct? I.e. is the BodyCorporate salary consistent (1 per month or 2 per month if you receive mid-month amounts) ▪ Do the expenses look right? ▪ Do the categories of expenses look correct when comparing to prior year? ▪ Does the overall profit look right? ▪ Have you excluded private transactions? ▪ Did you account for all the relevant cash transactions (if applicable)? ▪ Are there any account balances (Balance Sheet) that are in your records that are incorrect or no longer exist? 		
<p>BANK ACCOUNTS, BANK LOANS & CREDIT CARDS</p> <p>Ensure ALL bank and loan accounts have been reconciled <u>exactly</u> at 30 June 2022 (not just to your statement closing date) and checked against the actual bank/loan statements.</p> <p>Reconcile credit cards to the actual credit card statement/s where applicable.</p> <p>Attach the Bank/Loan/Credit Card Statement showing balance as at 30 June 2022 for all accounts.</p>	<p><i>Important: Without a complete and accurately reconciled bank / loan / credit card accounts and relevant bank / loan / credit card statements, we cannot commence your work.</i></p>	
<p>Provide copies of all loan statements for the year 1 July 2021 to 30 June 2022.</p>	<p><i>Provide all Loan statements.</i></p>	
<p>Attach all Term Deposit Certificates/Statements for the year 1 July 2021 to 30 June 2022.</p>	<p><i>Provide all Term Deposit statements.</i></p>	
<p>Do you maintain a Petty Cash System? Has it been reconciled? Have expenses been appropriately allocated?</p>	<p><i>Note: A large Petty Cash Expense or asset account may indicate uncategory transactions.</i></p>	
<p>Please provide the June 2022 Monthly Managers Income Summary.</p>	<p><i>Note: This report is printed from your Trust Account software and will show the balance in the Trust Account (ie, Managers Loan) (if any) as at 30 June 2022.</i></p>	

	CLIENT COMMENTS / FURTHER DETAILS	REVIEWED & COMPLETED
<p>ACCOUNTS RECEIVABLE / TRADE DEBTORS</p> <p>Is any money owed to your business as at year end (i.e. Accounts Receivable / Debtors)?</p> <p>Does the balance on the report match the Balance Sheet at 30 June 2022?</p>		
<p>Identify and advise amounts on the report that may be Bad Debts/Uncollectable?</p>	<p><i>Uncollectible amounts are deductions to your business.</i></p>	
<p>ACCOUNTS PAYABLE/TRADE CREDITORS</p> <p>Do you owe any money as at year end? (i.e. Accounts Payable / Creditors)?</p> <p>Does the balance on the report match the Balance Sheet at 30 June 2022?</p>		
<p>FIXED ASSETS</p> <p>Please provide details of any assets scrapped or sold during the financial year.</p>	<p><i>Attach Summary</i> <i>Asset Description:</i> <i>Date Sold/Scrapped:</i> <i>Sale Amount:</i></p>	
<p>Please provide details of fixed assets purchased during the year:</p> <p>Note that assets will be deductible outright for taxation purposes if:</p> <p>If your annual turnover is under \$500 million</p> <p>Eligible businesses with aggregated turnover of less than \$5 billion can claim an immediate deduction for business % of assets purchased <u>between</u> 6 October 2020 and 30 June 2023.</p>	<p><i>Please provide tax invoices for all assets purchased during the year.</i></p> <p><i>For any assets purchased under finance, please provide full copy of the hire purchase/lease agreement.</i></p> <p><i>If a car was sold and not used as a trade-in, please provide paperwork relevant to the sale.</i></p>	
<p>RELATED PARTY TRANSACTIONS</p> <p>Please check all transactions and loans to / from related parties - are they correct?</p> <p>Have you reviewed transactions to ensure that all income and expenses are recorded in the correct entity?</p>	<p><i>Do the loan accounts between related entities reconcile / agree to each other?</i></p> <p><i>Income in one entity should be an expense in another and loans or transfers should agree.</i></p> <p><i>Are all loans still current?</i></p>	

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<p>SUSPENSE / TEMPORARY ACCOUNTS</p> <p>Please provide full details of the miscellaneous or suspense/sundry accounts.</p>		
<p>INCOME</p> <p>Please provide details of any other unusual or one-off income amounts received during the year.</p> <p>If personal/other external funds have been injected into the business during the year and included in an income account, please provide details for same.</p>		
<p>EXPENSES</p> <p>Please provide details of any unusual or one-off expenses which have occurred this year.</p> <p>If you used a Motor Vehicle for business purposes, please provide the following for each vehicle:</p> <ul style="list-style-type: none"> ▪ Registration Number ▪ Business Use Percentage (supported by a valid logbook) ▪ Total Kilometres travelled for the year ▪ Business Km's travelled for the year ▪ Engine size <p>Did your business incur any legal fees this year? Example: Expenses relating to lease renewal, Top-ups, or debt collection.</p> <p>Please review your Repairs & Maintenance account / transactions – please provide an invoice for all items as follows:</p> <p>If your annual turnover is under \$10 million</p> <ul style="list-style-type: none"> ▪ Each Repair & Maintenance costing \$1,000 or more excl GST; or <p>If your annual turnover is over \$10 million</p> <ul style="list-style-type: none"> ▪ Each Repair & Maintenance costing \$100 or more excl GST. 	<p><i>Note: A valid logbook must be a written record of all travel kept for a representative 12-week period. The logbook and business % can be valid for up to 5 years. You can also utilise an electronic logbook such as an app on your phone, so long as you can print out the required information.</i></p> <p><i>If so, please describe each legal expense item & provide associated invoice.</i></p> <p><i>Provide a copy of the invoice per category for non-standard maintenance.</i></p>	

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Were telephone, mobile phone, and internet expenses for business purposes only?	<i>If your records require adjustments for private use, please provide:</i> <i>Telephone business %:</i> <i>Mobile phone business %:</i> <i>Internet business %:</i>	
Please provide details of any unusual or one-off expenses which have occurred this year.		
Has the business paid for any of your private costs during the year (e.g. interest on private loans, home electricity, or travel costs)? Is the office on title or separate from the Manager's residence? If not separate from the Manager's residence , please provide your estimated percentage of the floor space of the office from the overall space from the Manager's residence?	<i>If yes, please identify and provide details or advise the private use % for the relevant accounts.</i>	
Please provide the following details in relation to the Manager's Unit: <ul style="list-style-type: none"> Who is currently residing in the unit? Is the resident an employee or Partner of the business? The amount of weekly rental income received. The market rate of rent per week. 		
Are there any other expenses your business may be entitled to claim?	<i>Example - costs on a private Credit Card used for business purposes.</i>	
STOCK ON HAND		
Do you have stock on hand at year end? If so, what is the GST exclusive value of the stock (at cost value)?		
Are there any stock items that have been or will be scrapped? If so, please provide a stock listing.		
WAGES		
Most business should be reporting via Single Touch Payroll (STP). However if your business hasn't reported via STP, please contact our office.	<i>Note with Single Touch Payroll (STP), your business shouldn't be required to issue PAYG payment summaries any longer.</i>	

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Do the gross wages in profit & loss statement match total wages reported on BAS's for the whole financial year? And do these match the total as reported via STP?	<i>Please print STP report and compare to your annual profit and loss statement. Do they match?</i>	
Are any Fringe Benefits provided to employees or their associates (i.e. accommodation, private use of motor vehicles, gifts greater than \$300 so-on)?	<i>Please provide details.</i>	
If you are subject to Payroll Tax, please provide a copy of the Annual Reconciliation form (Payroll Tax Annual Return) and supporting documentation.		
SUBCONTRACTOR REPORTING		
If you are subject to Subcontractor reporting requirements, please ensure you have submitted the " Taxable Payments Annual Report " (TPAR) to the ATO for the year ended 30 June 2022 (required to be submitted by 28 August 2022).	Note: <i>If cleaning income exceeds 10% of your total gross income this may be applicable.</i>	
SUPERANNUATION		
Is the superannuation on employee wages (including owner's wages) correct and has it been paid on time? Was all superannuation paid on time? (i.e. – before 28 th day after each quarter). NOTE: Super paid late is <u>NOT</u> tax deductible.	<i>Superannuation is a mandatory 10.0% of the gross wage amount. If the superannuation has not been calculated at 10.0%, please provide a brief description of why.</i>	
What is the amount of superannuation payable (owing/unpaid to funds) at 30 June 2022? Does this agree to the XERO / MYOB / QB account? If not, please investigate and advise.	<i>If still paying super for your employees considering changing to monthly – not a requirement by Law but will assist with cashflow and ensure less chance of the super being paid late.</i>	
Do you have employees that salary sacrifice super contributions? These payments are called Reportable Employer Superannuation Contributions (RESC) payments. Are these correctly reported on STP? If not, please correct the STP and contact the ATO.	<i>RESC amounts are payments above and beyond the mandatory 10.0%.</i>	

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GST		
<p>Did you have any trouble preparing your BAS or unsure of the GST claim made? If so, please briefly outline items you would like us to check.</p> <p>We find, the areas where most GST mistakes are made are as follows:</p> <ul style="list-style-type: none"> ▪ GST claims on motor vehicles purchased are limited to \$5,521. ▪ GST collected on traded-in motor vehicles or sold assets. ▪ Items which are GST free <ul style="list-style-type: none"> - loan repayments including motor vehicle repayments. - Stamp duty. - Private expenses. - ASIC filing fees or on Donations. - Related party loan transactions. 		
FORM 6		
Please provide a copy of a sample Form 6 for one unit including a current schedule of charges.		

I have reviewed my business records for the period 1 July 2021 to 30 June 2022 and confirm, to the best of my knowledge, they are true and complete.

Signed

Please be aware that the completeness and accuracy of the information you provide to us remains your responsibility. In engaging us to prepare the tax return, you acknowledge that you must provide us with all relevant information and documentation to complete the engagement. Under the Self-Assessment Regime (the laws which govern the completion of income tax returns), the onus is on you to have adequate documentation to support your income and deduction claims. This documentation in most cases must be retained for between 5 and 7 years, although it is 10 years for Self-Managed Superannuation Fund. The ATO and other government bodies have the right to impose penalties if you are unable to substantiate the amounts or if they determine there is missing, false or misleading information in the lodged tax return.