

## End of year checklist

As usual, when the end of the financial year is approaching, it's a good idea to make sure everything's in good order. Take a look at:

- ☐ How much stock you are carrying at the end of the year. Dispose of any obsolete lines or write the stock down to its net realisable value.
- ☐ Your discount reserve, if you discount for prompt payment. After the first year, the allowable deduction is based on the percentage level established initially.
- ☐ Planned dividend payments and the company's imputation credit account balance.
- ☐ Credit notes issued to customers following balance date that apply to income earned this year.
- ☐ Debtors: if you have taken reasonable steps to recover a debt, you may be able to write it off and claim a deduction.
- ☐ Retentions owing: they are taxable this year if you receive them by 31 March.
- ☐ Fixed assets: can any be written off?
- ☐ Make sure loss offset or subvention elections are filed with IRD on or before 31 March.
- ☐ Amounts owed to employees such as holiday pay, bonuses, long service leave, redundancy payments. They can be claimed for in this year if paid within 63 days of balance date.
- ☐ Can you prepay any of your expenses to claim a deduction? Not sure what kinds of prepayments are deductible? Ask us.
- ☐ Significant maintenance or repairs undertaken before end of year may be eligible for an early tax deduction. Check if you're not sure where expenditure on an asset is deductible as repairs or maintenance or if it should be capitalised.

Call us if you'd like a quick heads-up on what to look for in the detail or options for how to treat any of the above.