



Inland Revenue
Te Tari Taake

IR 10G
2004

IR 10 guide

2004

Guidelines for completing the 2004 IR 10

Introduction

The *Accounts information (IR 10)* form is designed to collect information for statistical purposes. It is **not designed to replace financial records**. The form is only a general summary of information relating to the customer's business and operations.

It's important that Inland Revenue and tax agents complete IR 10 forms in a consistent manner so that Statistics New Zealand and Inland Revenue's auditors can use the information effectively.

Completing an IR 10 form helps speed up the processing of the tax return. If an IR 10 is completed, financial records don't have to be included, although they may be requested later.

To see if an IR 10 is required, we must determine if a customer is "in business". The term "business" has a wide meaning. In the Income Tax Act 1994 it is defined as "any profession, trade, manufacture, or undertaking carried on for pecuniary profit".

A new image, the same return

You will notice something different about the look of the IR 10 this year. We have replaced the panels you fill in with individual boxes.

We have made these changes because we are introducing new imaging technology to speed up the processing of your return and the issuing of an assessment to you.

There is no change to the information you have to provide, but you will need to complete your return differently:

- Print your responses clearly.
- Enter one character **only** in each box.
- To help speed up the processing of your return do not write anything outside the boxes. If you need to provide additional information please put this on a separate piece of paper, clearly show the section that it relates to, and attach it to your return.

If you need a replacement form phone INFOexpress on 0800 257 773. If you have any questions about the new-look IR 10 please phone us on 0800 377 774.

Which returns may require an IR 10?

Generally, if amounts are entered in an:

IR 3 in Boxes 20, 21 and/or 22

IR 4 in Boxes 18B and 20B

IR 6 in Boxes 13B and 14B

IR 7 in Boxes 15B and 16B

IR 9 in Boxes 11B and 12B

the customer **could** be in business. Consider each case individually to decide if a customer is in business.

An IR 10 may be required if the customer is actively in business or has rental income.

Taxpayers have the option of attaching either:

- a fully completed *Accounts information (IR 10)* form, or
- a set of financial accounts.

E-File returns must have IR 10s completed before they are sent to Inland Revenue.

All returns with only a profit and loss account submitted require an IR 10.

All returns with withholding income with expenses claimed require IR 10s, but withholding income should still be included in the correct box on the return.

Exclude non-deductible expenditure and exempt income from the figures entered on the IR 10. For GST-inclusive accounts, include GST refunds and GST expenses.

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Filling in the boxes

First fill in the customer's name and IRD number from the details preprinted on the return.

1 Multiple activity indicator

Tick "Yes" only if the customer has more than one business, not just several different accounts.

Here are some examples.

- Customer has a window cleaning business and a painting contractor business—tick "Yes".
- Customer has a service station with a fuel and oil account, a sundry goods account and a tyre bay account—tick "No".
- Customer has two retail shops, but uses one return—tick "No".

Complete only one IR 10 for each return.

Boxes 2 to 11

Boxes 2 to 11 relate to the total taxable income of the business, generally found in the trading account.

2 Sales and/or services

This is all gross income from the sale of goods or services, less any discounts allowed. It's also referred to as turnover. Include management fees and commissions if this is the main source of income. Include salary, wages and withholding income (with expenses claimed) if it is the only income. If there is trading income and salary, wages and withholding income, include the salary, wages and withholding income in Box 10.

3 Opening stock

This is the total stock on hand, including raw materials, livestock, grain or produce, work in progress and finished goods at the beginning of the year.

Work in progress represents the value of work started but not completed. In manufacturing it is partly finished goods, while in a contracting business, it is incomplete contracts.

If the company provides a service, rather than selling goods, there may be no stock.

To find the opening stock figure, check the cost of goods sold in the trading account. If there is no figure in the trading account, check the balance sheet. Last year's comparative figures will show closing stock as a current asset.

If there is no entry in the trading account or balance sheet, leave the box blank.

4 Purchases

Enter the total amount of purchases and materials. Sometimes only the cost of goods sold is shown in the trading account. In these cases, add closing stock to the cost of goods sold, and deduct opening stock. The answer should be treated as purchases although it may include other direct costs. In Box 27 include purchases not included in the trading account or equivalent (and therefore not reflected in the gross profit calculation). Do not include these purchases in Box 4.

5 Closing stock

This is the total stock on hand, including raw materials, livestock, grain or produce on hand, work in progress and finished goods at the end of the year.

Work in progress represents the value of work started but not completed. In manufacturing, it is partly finished goods, while in a contracting business, it is incomplete contracts.

If the company provides a service, rather than selling goods, there may be no stock. To find the closing stock figure, check the trading account or the balance sheet under current assets. If it is not entered in the trading account or balance sheet, leave the box blank.

If your turnover is not more than \$1.3 million in the income year, you may use the opening stock as the closing stock figure if, you reasonably estimate the value of your closing stock to be less than \$5,000.

6 Gross profit

Enter the total amount of gross profit. If direct costs (for example, wages, transport or freight) are shown separately from purchases in the accounts, these must also be deducted to get the gross profit figure.

Example

$$\begin{array}{r}
 \text{gross income} \\
 \text{less cost of goods sold} \\
 \text{less direct costs, if any} \\
 \hline
 = \text{gross profit}
 \end{array}$$

If this figure is a loss put a minus sign in the grey box. If there is no trading account include the Box 2 amount in Box 6.

7 Interest received

Enter the total amount of gross interest received by the business. You can find this figure in the trading account or the profit and loss account. Then enter any interest shown in the return but **not** included in the accounts. Include exchange gains, and interest received from Inland Revenue.

8 Dividends

Enter the total amount of gross dividends received. You can find the figure in the profit and loss account or appropriation account, either of which could include any specified preference dividends before any dividend withholding tax is deducted. Include any dividends shown in the return but **not** included in the accounts. Exclude inter-company dividends.

9 Rental and lease payments

Enter the total amount of gross rental, lease and hire income before expenses are claimed. Include income from land, buildings, vehicles, fishing quotas and stud fees. If your customer is in the hiring business, include the income in Box 2. Do not include income from hire purchase and specified lease agreements, but show the interest portion of these agreements in Box 7.

10 Other income

Enter all other sources of income that would be shown in the trading or profit and loss account. Include any adjustments (made outside the trading account) that increase the livestock value. If there is trading income and salary, wages and withholding income (with expenses claimed), include both totals in this box. If there is only salary, wages and withholding income (with expenses claimed), include it here and in Boxes 2 and 6.

11 Total income

This figure includes all income shown in Boxes 6 to 10.

Boxes 12 to 28

Boxes 12 to 28 relate to the tax deductible expenses of a business, which are generally shown in the profit and loss statement. If a specific expense in Boxes 12 to 27 is listed in the trading account as a direct cost, include that expense in the relevant box. Do **not** adjust the gross profit as shown on accounts.

If adjustments are shown in expenses, use the net figure in boxes (except depreciation recovered). Adjust expenses for private use. Do not put expenses in brackets on the IR 10 unless it is a negative expense. For example, an FBT refund would be treated as a “negative” expense and put in brackets in Box 15.

12 Bad debts (written off)

Enter the total amount of bad debts actually written off during this period. Do not include provision for bad or doubtful debts or debt collection fees.

13 Depreciation

Enter the total amount of tax-deductible depreciation claimed for all assets, including vehicles. Include any loss on sale in Box 55 and depreciation recovered in Box 10. If the depreciation recovered has been offset against the depreciation claimed in the accounts, increase the amount in Box 13 by the recovered amount. Also add it to the amount shown in Boxes 10 and 11. It must also be included in the amount shown at Box 28.

14 Entertainment

Enter the total amount of entertainment expenses claimed. Include client hospitality. Do not include the non-deductible portion.

15 Fringe benefit tax

Enter the claim for actual fringe benefit tax paid during the year from FBT returns. Do not include any penalties and interest charged by Inland Revenue, or GST on FBT.

16 Insurance

Enter the total amount claimed of all insurance premiums. Exclude any ACC levies—show these in Box 27.

17 Interest expenses

Enter the total amount of all interest payments claimed, as shown in the accounts. Include interest paid to shareholders and any exchange losses in relation to the accruals legislation. Include any interest paid to Inland Revenue.

18 Legal expenses

Enter the total amount of deductible legal fees claimed.

19 Rates

Enter the total amount of rates paid, including water rights.

20 Rental and lease payments

Enter the total amount claimed of all rental, hire and lease payments made for items such as land, vehicles and equipment. Do not include income from hire purchase, specified leases and finance leases, but show the interest portion of these agreements in Box 17.

21 Repairs and maintenance

Enter the total amount claimed for all repairs and maintenance expenditure. This includes items like protective clothing, shelter belts, fences, land maintenance and service contracts. A subtotal, as shown in the accounts, is acceptable. Watch for other repairs and maintenance expenses elsewhere in the accounts not included in the subtotal. Exclude rubbish, cleaning, laundry and vehicle expenses.

22 Research and development

Enter the total amount claimed for research and development expenditure. Include farm development, drug development, machinery research and other scientific research and development.

23 Salaries and wages

Enter the total amount claimed for salaries, wages, executive remuneration, bonuses, shareholders' salaries, extra emoluments, directors' fees, managers' salaries, PAYE, sick pay and holiday pay. Include superannuation payments in Box 27.

24 Subcontractor payments

Enter the total amount claimed for all subcontractors. Include payments made for locum fees and commissions.

25 Travel and accommodation

Enter the total amount claimed for all travel and accommodation costs incurred in domestic and overseas travel, including conference, meeting, seminar and course costs.

26 Vehicle (excluding depreciation)

Enter the total amount claimed for all vehicle expenses. "Vehicles" can include boats, trailers, motorbikes, cycles, forklifts, farm quads, semi-trailers and aircraft, as well as cars and trucks. Include road-user charges, vehicle registrations, tyres, petrol, mileage, road tax, fuel and oil. Exclude depreciation, rental and leasing costs and FBT paid.

27 Other expenses

Include any other deductible expenses shown in the profit and loss or trading account but not shown in Boxes 12 to 26. Include subvention payments and any adjustments made outside the trading account that decrease the livestock value in Box 27.

28 Total expenses

This is the total of all expenses shown in Boxes 12 to 27.

29 Total current year taxable profit

Enter the taxable profit figure from the tax return. Exclude interest and dividends not shown in the accounts.

Balance sheet items

Boxes 30 to 59 are for the balance sheet of the business.

Current assets

30 Accounts receivable (debtors)

Enter the total amount of all accounts receivable and debtors, which is the amount the debtors owe the business at the end of the period. Enter the gross amount before deducting any non-deductible items such as provisions for bad debts. Include charge cards.

31 Bank accounts (asset)

Enter the total amount of all bank accounts in funds. Include all funds on short-term deposit (that is, less than one year), cash on hand and float, solicitors' trust accounts, funds with building societies, stock firms and dairy cooperatives.

32 Other current assets

Include any current assets not shown in Boxes 30 or 31.

33 Total current assets

Add Boxes 30, 31 and 32 and enter the total.

Fixed assets

34 Vehicles

Enter the total of all vehicles, including boats, trailers, motorbikes, tractors, caravans and aircraft, as well as cars and trucks.

35 Plant and machinery

Enter the total amount of plant and machinery, generally any fixed machinery. Do not include anything already included in Box 34.

36 Furniture and fittings

Enter the total amount of furniture and fittings. Include chattels and office equipment.

37 Land and buildings

Enter the total amount of land and buildings. Include lessee's improvements and alterations, and development costs such as trees, vineyards, marina berths and hangars.

38 Other fixed assets

Include any other fixed assets not shown in Boxes 34 to 37.

39 Total fixed assets

Add Boxes 34 to 38 and enter the total.

Other assets

40 Intangibles

Enter the total amount of intangible assets. This may be shown as "goodwill". Include items under intangible assets where they are not otherwise specified. Include items not shown as intangible assets in Box 44.

41 Preference shares

Enter the total amount of preference shares.

42 Shares and debentures

Enter the total amount of ordinary shares, including accumulated capital and debentures. Do not include preference shares.

43 Term deposits

Enter the total amount of all long-term interest-bearing deposits (more than a 12-month term). Include commercial bills and bonds. Exclude loans and mortgages.

44 Other assets

Include any other assets not shown in Boxes 33 and 39 to 43.

45 Total assets

This is the total of all entries made in Boxes 33 and 39 to 44.

Current liabilities

46 Accounts payable (creditors)

Enter the total amount of all accounts payable (creditors), including all business creditors. It is the amount the business owes its suppliers as at the end of the period. Include charge cards.

47 Bank accounts (liability)

Enter the total amount of all bank accounts in overdraft. Do not use brackets. Include amounts owing to stock firms, such as a current Freeplan. Exclude unpresented cheques—these should be shown in Box 46.

48 Other current liabilities

Include any current liabilities not shown in Boxes 46 or 47.

49 Total current liabilities

Add Boxes 46, 47 and 48 and enter the total here.

50 Term liabilities

Enter the total amount of liabilities extending over more than a 12-month term from the balance date of the accounts. Include loans, mortgages etc. Do not include partner or shareholder current account balances.

51 Total liabilities

This is the total of Boxes 49 and 50. Exclude shareholder current accounts, proprietorship and shareholder equity.

Proprietor or shareholder funds**52 Drawings**

Enter the total of drawings taken from the business by the proprietors, shareholders, partners and beneficiaries. Include all private use adjustments and private expenditure through the business including GST.

53 Current account closing balance

For partnerships this includes the closing accounts of the partners, for companies the current accounts of the shareholders, for estates and trusts the beneficiaries' current account balances. For other entities, such as a self-employed person, it includes current accounts of a similar nature. Add together the closing balances of all proprietor or shareholder closing current accounts. If in debit put a minus sign in the grey box.

54 Total proprietor or shareholder funds

Enter the total amount of the proprietors' or shareholders' equity in the business, including shareholders' current accounts and the current accounts of partners.

Box 54 is the sum of Box 53 and any other proprietor or shareholder equity. Usually this is a positive figure and is therefore a liability of the business. That is, the business owes the proprietor and shareholder this amount of money. However, if the accumulated losses exceed the capital of the business, the proprietor or shareholders owe the business and it is a debit. If in debit put a minus sign in the grey box.

Enter the shareholders' funds if available, otherwise subtract the liabilities (Box 51) from the assets (Box 45) to find this figure. If the liabilities exceed the assets, it is a debit. If in debit put a minus sign in the grey box.

Other information**55 Deductible loss on disposal of fixed assets**

Enter the total amount of all losses on disposal of fixed assets. Include fixed assets scrapped and written off. Exclude depreciation recovered.

56 Capital gain on disposal of fixed assets

Enter the total amount of capital profit on disposal of land, buildings, vehicles or any other fixed asset found in the capital reserve account or profit and loss appropriation account. Exclude any depreciation recovered.

57 Dividends paid

Enter the gross amount of dividends paid to the shareholders, including any imputation credits. Dividends could be shown as "paid", "payable", "proposed", "provision for", or any other similar term in the appropriation or similar account.

58 Are your accounts GST-exclusive?

Tick "Yes" or "No" as applicable. One way to determine is to look for a GST expense in the profit and loss account, which indicates accounts are inclusive—tick "No".

59 Are your accounts for a period of 12 months?

Tick "Yes" or "No" as applicable. Check the accounts to determine the period covered. Tick "Yes" if unable to determine.

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Subscriptions	Box 27	Use-of-money interest (expenses)	Box 17
Subvention payments	Box 27	Use-of-money interest (income)	Box 7
Subvention receipts	Box 10	Ute (asset)	Box 34
Sundry (expenses)	Box 27		
Sundry (income)	Box 10	Valuation fees	Box 27
Sundry creditors	Box 46	Vehicle (asset)	Box 34
Sundry debtors	Box 30	Vehicle (expenses)	Box 26
Superannuation	Box 27	Vehicle insurance	Box 26
Supervision	Box 27	Vehicle lease	Box 20
Supplies	Box 27	Vehicle rental	Box 20
Surplus	Box 6	Veterinary expenses	Box 27
Suspensory loans forgiven	Box 10	Vineyard (asset)	Box 37
		Wage subsidies	Box 10
Taxi fares	Box 25	Wages	Box 23
Technical books	Box 27	Warrant of fitness	Box 26
Telephone	Box 27	Water rights	Box 19
Telephone charges	Box 27	Weed and pest control	Box 27
Television hire	Box 20	Wheelbarrow (asset)	Box 34
Term deposits	Box 43	Window dressing	Box 27
Term liabilities	Box 50	Woolpacks	Box 27
Till	Box 31	Woolshed expenses	Box 27
Tolls	Box 27	Work in progress (closing)	Box 5
Tool replacement	Box 21	Work in progress (opening)	Box 3
Tools (asset)	Box 35		
		Yachts (asset)	Box 34

Items listed under boxes

Box 2

- Contracting receipts
- Grazing income fees
- Salary, wage and withholding income (no trading income)
- Management fees (received)
- Sales
- Services
- Turnover

Box 3

- Finished goods (opening)
- Grain on hand (opening)
- Livestock (opening)
- Opening stock
- Produce on hand (opening)
- Raw materials (opening)
- Work in progress (opening)

Box 4

- Materials
- Purchases (net)
- Spat (young mussel) purchases

Box 5

- Closing stock
- Finished goods (closing)
- Grain on hand (closing)
- Livestock (closing)
- Produce on hand (closing)
- Raw materials (closing)
- Work in progress (closing)

Box 6

- Gross profit
- Margin
- Surplus

Box 7

- Exchange gains
- Interest received
- Use-of-money interest (income)

Box 8

- Dividends received
- Preference dividends
- Specified preference dividends

Box 9

- Fishing quotas received
- Hire (income)
- Lease receipts
- Rents received
- Stud fees received

Box 10

- ACC refunds
- Bad debts recovered
- Commissions (received)
- Deferred income
- Depreciation recovered
- Franchise fees (income)
- Goods for private use
- GST (income) GST-inclusive accounts only
- Income equalisation receipts
- Income spread forward
- Insurance claims
- Livestock adjustment or revaluation (increase)
- Royalties received
- Rural Bank loans forgiven
- Salary, wage and withholding income (with trading income)
- Subvention receipts
- Sundry (income)
- Suspensory loans forgiven
- Wage subsidies

Box 11

- Total of Boxes 6 to 10

Box 12

- Bad debts written off

Box 13

- Depreciation

Box 14

- Client hospitality
- Entertainment
- Hospitality

Box 15

- Fringe benefit tax

Box 16

- Insurance paid
- Medical insurance
- Staff medical insurance

Box 17

- Exchange losses
- Interest paid
- Shareholders' interest
- Use-of-money interest (expenses)

Box 18

- Legal (expenses)
- Solicitors' fees

Box 19

- Rates
- Water rights

Box 20

- Asset hire
- Fishing quotas paid
- Forklift hire
- Ground rent
- Hire (expenses)
- Lease payment
- Moorings (rental)
- Rents paid
- Television hire
- Vehicle lease
- Vehicle rental

Box 21

- Bridge (expenses)
- Bulldozing
- Computer maintenance
- Drains
- Fencing
- Gumboots
- Hedge trimming
- Land maintenance
- Maintenance
- Plant replacement
- Ploughing
- Protective clothing
- Repairs and maintenance
- Roadings and crossings
- Service contracts
- Shelter belts
- Tool replacement
- Tools (expenses)
- Tracks
- Tractor work

Box 22

- Development (expenses)
- Farm development
- Research and development
- Scientific development
- Scientific research

Box 23

- Bonuses
- Directors' fees
- Emoluments (extra)
- Executive remuneration
- Holiday pay
- Managers' salaries
- PAYE
- Redundancy payments
- Remuneration
- Salary (expenses)
- Shareholders' salaries
- Shearing wages
- Sick pay
- Wages

Box 24

- Commissions (expenses)
- Contracting paid
- Entertainment (live)
- Locum fees
- Sharemilkers
- Shearing contractor
- Sub-contractors

Box 25

- Accommodation
- Airport expenses (travel)
- Conferences
- Conventions
- Course fees
- Domestic travel
- Hotels
- Meetings
- Overseas travel
- Seminars
- Taxi fares
- Travel

Box 26

- Berthage
- Bicycle (expenses)
- Boat (expenses)
- Forklift (expenses)
- Fuel
- Marina berth (expenses)
- Motor vehicle (expenses)
- Motorcycle (expenses)
- Petrol
- Planes (expenses)
- Road-user charges
- Trailer (expenses)
- Truck (expenses)
- Tyres
- Vehicle (expenses)
- Vehicle insurance
- Warrant of fitness

Box 27

- ACC levies
- Accountancy
- Administration (expenses)
- Airport expenses (freight)
- Animal health
- Answering service
- Audit fees
- Bailment fees
- Bank charges
- Body corporate levies
- Booking fees
- Books
- Breeding (expenses)
- Cartage
- Cases
- Cash crop (expenses)
- Cellphone
- Cleaning
- Communication
- Company registration fee

- Computer (expenses)
- Consultants' fees
- Consumables
- Council fees (excluding rates)
- Courier fees
- Credit card charges
- Dairy shed (expenses)
- Debt collection fees
- Deferred expenditure
- Depot fees
- Dip
- Displays
- Dogs
- Donations
- Drench
- Dressings
- Earners' account levy
- Earner or employer premium
- Education
- Effluent disposal
- Electricity
- Employee costs
- Employer or earner premium
- Farm advisor
- Fax
- Feasibility costs
- Federation fees
- Feed
- Fertiliser
- First aid
- Fitness or gym fees
- Forestry (expenses)
- Franchise fees (expenses)
- Freight
- Fumigation
- General expenses
- Gifts
- Grain dressing
- Grain drying
- Grazing (expenses)
- Grower's levy

- GST (expenses) GST-inclusive accounts only
- Hardware
- Harvesting (expenses)
- Hay-making
- Hay purchases
- Heating
- Herd improvements
- Home office (expenses)
- Inspection fees
- Instrument (expenses)
- Irrigation
- Kit supplies
- Laboratory testing
- Laundry
- Licensing fees
- Light
- Lime
- Livestock adjustment or revaluation (decrease)
- Loan fees
- Magazines
- Management fees (paid)
- Marketing
- Medical supplies
- Merchant levy
- Newspapers
- Orchard supplies
- Outworkers
- Packaging
- Pagers
- Periodicals
- Permits
- Petty expenses
- Photocopying
- Pollination
- Post Office Box rental
- Postage
- Power
- Printing
- Professional fees
- Promotions
- Publications
- Publicity
- Radio telephones
- Rain monitoring
- Rations
- Receiver's fees (expenses)
- Refuse and waste disposal
- Registrations
- Relocation expenses
- Replacements
- Residual claims levy
- Royalties paid
- Rubbish
- Rural delivery fees
- Sales aids
- Samples
- Sanitation
- Security
- Seeds
- Shearing
- Shop requisites
- Silage-making
- Software development
- Soil testing
- Sound
- Spat (young mussels) expenses
- Spray
- Staff expenses
- Staff training
- Stamps
- Stationery
- Stock feed
- Stock water
- Stocking expenses
- Stores
- Subscriptions
- Subvention payments
- Sundry (expenses)
- Superannuation
- Supervision
- Supplies
- Technical books

- Telephone
- Telephone charges
- Tolls
- Trade subscriptions
- Training
- Transportation (goods)
- Trees
- Twine
- Uniforms
- Use of home
- Valuation fees
- Veterinary expenses
- Weed and pest control
- Window dressing
- Woolpacks
- Woolshed expenses

Box 28

- Total of Boxes 12 to 27

Box 29

- Total current year taxable profit from tax return

Box 30

- Accounts receivable
- Credit cards (asset)
- Debtors
- Receivables
- Sundry debtors
- Trade debtors

Box 31

- Bank accounts (asset)
- Building society account
- Cash on hand
- Change
- Cheque account (asset)
- Float
- Petty cash
- Savings
- Short-term deposits
- Solicitors' trust accounts
- Stock firm accounts
- Till

Box 32

- GST (asset)

Box 33

- The total of Boxes 30, 31 and 32

Box 34

- Aircraft (asset)
- Barge (asset)
- Boat (asset)
- Caravans (asset)
- Cars (asset)
- Farm quad (asset)
- Forklift (asset)
- Helicopter (asset)
- Motor vehicle (asset)
- Motorcycle (asset)
- Planes (asset)
- Semi-trailer (asset)
- Tractors (asset)
- Trailer (asset)
- Truck (asset)
- Ute (asset)
- Vehicle (asset)
- Wheelbarrow (asset)
- Yachts (asset)

Box 35

- Loose tools
- Machinery (asset)
- Plant (asset)
- Tools (asset)

Box 36

- Chattels
- Fittings (asset)
- Furniture (asset)
- Office equipment (asset)

Box 37

- Alterations (asset)
- Building (asset)
- Capitalised development expenditure
- Hangars
- Land (asset)
- Leasehold improvements (asset)
- Lessee's alterations
- Marina berth (asset)
- Trees (asset)
- Vineyard (asset)

Box 38

- Forestry (asset)

Box 40

- Formation expenses (intangible asset)
- Goodwill
- Intangible asset

Box 41

- Preference shares

Box 42

- Accumulated capital
- Debentures
- Ordinary shares
- Shares

Box 43

- Advance term deposits
- Bonds
- Commercial bills (asset)
- Long-term deposits
- Term deposits

Box 44

- Bonus bonds
- Green dollars
- Income tax account (asset)
- Investments
- Loans (asset)
- Mortgage (asset)
- Prepayments

Box 46

- Accounts payable
- Credit cards (liability)
- Creditors
- Sundry creditors
- Trade creditors
- Unpresented cheques

Box 47

- Bank overdraft
- Cheque account (liability)
- Freeplan (short-term)
- Income tax account (liability)
- Overdraft

Box 48

- GST (liability)
- Income tax (liability)

Box 49

- The total of Boxes 46, 47 and 48

Box 50

- Commercial bills (liability)
- Freeplan (long-term)
- Loans (liability)
- Mortgage (liability)
- Term liabilities

Box 52

- Drawings

Box 53

- Beneficiaries' current account
- Current account
- Partner's current accounts
- Shareholders' account
- Shareholders' current account

Box 54

- Income equalisation reserves
- Proprietorship funds or equity
- Shareholders' funds or equity

Box 55

- Assets written off
- Loss on disposal (sale)
- Loss on scrapping
- Scrapping of asset

Box 56

- Capital gain (fixed asset disposal)

Box 57

- Dividends paid
- Provision for dividends

Accounting terms

Assets

Items of value owned by a business:

- cash
- bank surpluses (money the business has in the bank)
- debtors (those who owe the business money)
- stock on hand
- furniture and fittings
- plant and machinery
- vehicles
- buildings.

Bad debts

A bad debt is a credit sale for which the business does not expect to receive payment.

Balance sheet

This report shows the financial position of a business at the end of an accounting period.

Creditors

Suppliers to whom the business owes money.

Debtors

Those who owe the business money.

Drawings

Amounts taken from the business by the proprietors during the year—includes private use of assets, private expenditure and goods.

Expenses

Amounts paid or incurred for the purpose of generating revenue.

Gross income

Income **before** any deductions or expenses.

Income statement

This shows how much profit or loss was made by the business during the accounting period.

Liabilities

These are amounts owed by the business to outside parties:

- bank overdraft (money the business owes to the bank)
- creditors (those to whom the business owes money)
- loans (money the business borrows from an outside party)
- mortgages.

Proprietorship

This represents the owner's claim on the business:

- capital (amounts invested by the owner in the business plus profits less drawings and losses from previous accounting periods)
- drawings (amounts withdrawn from the business in the form of cash, goods, or services for the owner's personal use)
- profits or losses (revenue less expenses).

Revenue

Money received or due to be received from the sale of goods or services from other income sources.

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