

April 2015



## End of Financial Year Information

For most farmers the end of the financial year is fast approaching. The following are some points to consider prior to 31 May 2015:

- Fixed Assets – Obtain your fixed assets schedule from your accountant, and review and record any assets that can be written-off if they have become obsolete or are no longer used. This will ensure your assets register is up to date. Any assets written-off will create an expense against taxable income.
- Feed Supplements on hand – Your unused feed supplements at 31 May need to be considered. If the supplements you have on hand cost you in excess of \$58,000, they need to be claimed in the following year. This is because the feed has not been used and therefore the expenditure has not been incurred in deriving income in the current year.
- Repairs & Maintenance – If you are planning on carrying out any maintenance or repairs around the farm, you may consider completing these prior to 31 May to claim these as an expense in the current year.
- Bad Debtors – If you have any debtors that you do not expect to receive payment from they should be written-off. These bad debts will be claimed as a deduction to reduce income
- Employee Costs – Any employee costs such as holiday pay, accrued wages and bonuses that will be paid out in the 63 days after 31 May can be claimed as an expense in the current financial year.
- Donations Rebate – For donations you have made during the financial year you can claim 33% of the total donations or 33% of your taxable income whichever is the lesser amount. Companies that have a taxable loss will not be able to claim any donations as expenses.
- Livestock Numbers – Record the livestock you have on hand at 31 May to ensure correct numbers are valued as closing stock in your financial statements.

Reviewing these points may help you save money. Ensuring your information is current and accurate will help you to make more timely decisions about the future of your business.

Carissa Tolley, Associate of Cooperaitken Ltd Accountants in Matamata, Morrinsville and Thames 07 902 2874 or email [carissa@cooperaitken.co.nz](mailto:carissa@cooperaitken.co.nz)

[www.cooperaitken.co.nz](http://www.cooperaitken.co.nz)