

SONEGO, BOIVIN AND  
ASSOCIATES

RECORDING INCOME & EXPENSES  
FOR SMALL BUSINESS

# RECORDING INCOME & EXPENSES FOR SMALL BUSINESS

## TABLE OF CONTENTS

### **INTRODUCTION AND OVERVIEW**

### **SUBMITTING YOUR DATA**

### **SUGGESTED SPREADSHEET FORMATS**

### **ACCOUNTS SET-UP GUIDE**

#### **INCOME**

- Contract Revenue
- GST Sundry Income
- Interest Income
- Investment Income
- Other Income

#### **EXPENSES**

- Accounting Fees
- Advertising
- Automobile Expenses
- Bank Charges
- Books and Periodicals
- Business Promotion
- Computer Supplies
- Consulting Fees
- Depreciation
- Education and Seminars
- Employee Benefits
- General Expense
- Insurance
- Interest Expense
- Office Supplies
- Professional Fees
- (Rent) Allocation of Home Expenses - Office in Home
- Rent Expense
- Outside of Home Office
- Repairs and Maintenance
- Telephone
- Travel
- Wages and Salaries

#### **DIRECTORS' ADVANCES**

#### **FIXED ASSETS**

#### **PAYMENTS TO GOVERNMENT AGENCIES**

- GST
- Federal Tax
- Provincial Taxes

#### **SPECIAL NOTE RE SOURCE DEDUCTIONS**



## TABLE OF CONTENTS (CONTINUED)

### **RECORDING REVENUE AND EXPENSE DATA**

- Accounts Payable
- Accounts Receivable
- Bank Summary
- Directors' Advances
- Expenses
- Fixed Assets
- Income
- **Payments to Government Agencies**
  - Corporate Tax Installments
  - Federal Tax - Receiver General
  - Provincial Tax - Minister of Finance
  - Goods and Services Tax

### **APPENDIX A**

#### **CORPORATION INFORMATION REQUIRED AT YEAR END**

- **Form to Complete**

## INTRODUCTION & OVERVIEW

At Sonogo, Boivin and Associates, we pride ourselves in producing Financial Statements and Tax Returns as efficiently and accurately as possible at the lowest cost to our clients. In order to do so, we need your co-operation by providing us with your year-end information as completely and concisely as possible, in a standard format, as outlined in this guide.

We provide a basic package to entrepreneurs which includes the preparation of Financial Statements, Federal and Provincial Tax Returns, and a reconciliation of GST owing. Additional services can be provided at a reasonable cost.

A set of Financial Statements must accompany your Corporate Tax Returns. Accuracy is important here, so we have provided the Guide with the account numbers that we use to make your task as painless as possible.

After reading the Guide, please complete the enclosed data entry pages and return them to us.

## SUBMITTING YOUR DATA

If you are using an accounting software package to prepare your books, our office will make available to you a chart of accounts to use.

If you are interested in computerizing your accounting records, our office can make available to you information that will assist you to implement it.

### **PREPARATION USING A MANUAL SPREADSHEET OR SPREADSHEET SOFTWARE, SUCH AS LOTUS OR EXCEL.**

This method involves summarizing your transactions for the year in a spreadsheet format.

If you prepare computerized spreadsheets, please attempt to print each spreadsheet all on one page, as this makes it easier for us to process the information.

Be sure to create separate spreadsheets for transactions going through the corporate bank account and for other transactions (i.e. cash, personal bank account, or credit card).

**Separation of this information is crucial to the preparation of your year-end.**

Please also provide the following two summary sheets showing:

- (1) A summary of your bank transactions reconciling your closing bank balance (See Page 16)
- (2) A spreadsheet of your transactions during the business year. A sample of the suggested format is provided on the following page. Please note that additional column headings may be set up as required.

### **Note:**

Remember that **Appendix A** on the last page of this book asks for specific information about your corporation and you. Please ensure it is filled out completely and **all** required documents are provided.

SUGGESTED SPREADSHEET FORMATS

**Bank Deposits**

Date	Description	Amount	Categories				
			Contract Income	Personal Funds	GIC Maturing	GIC Interest	Other (Specify)
	<b>Total</b>	\$	\$	\$	\$	\$	\$

**Bank Cheques/Withdrawals**

Date	Description	Amount	Categories				
			Bank Charges	Payments to Director	Federal Corp. Tax	Provincial Corp. Tax	Other (Specify)
	<b>Total</b>	\$	\$		\$	\$	\$

**Cash/Credit Card Expenses**

Date	Description	Amount	Categories				
			Please refer to the categories in the Expense Sections of this Manual				
	<b>Total</b>	\$	\$		\$	\$	\$

**Note:** Additional column headings for any other expense categories should be added as per the categories further on in this Recording Revenue and Expense Data Manual.

## ACCOUNT SET-UP GUIDE

### INCOME

#### ACCOUNT 3010 - CONTRACT REVENUE

- Record all invoices issued for services during the current fiscal year, the date of the invoice and the date of the invoice deposited in your bank account. Please show the amount of the invoice and the GST charged in two separate columns.
- Payments deposited in your bank account after the year end will appear on the balance sheet as Accounts Receivable. Revenue earned outside Canada (U.S. for example) must be converted and reported in Canadian funds. Please record foreign income on a second sheet indicating in separate columns the amount you invoiced and the type of funds in which it was paid. We will do the conversion to Canadian funds for you using the conversion rates set by Revenue Canada each year.

#### ACCOUNT 3030 - GST SUNDRY INCOME (Quick Method Only)

- GST Sundry Income results when one chooses the “Quick” method of reporting GST. It is the difference between the 7% GST collected and the amount of GST that is payable to Revenue Canada. The “Quick” method may only be used when earned revenue is below \$200,000 annually. The following serves as an example of how to calculate GST sundry income.

Total revenue **including** GST = \$107,000 (i.e. \$100,000 + 7% GST)

4% GST payable on the first \$30,000 of the above	\$1,200
5% GST payable on the balance \$77,000 of the above	<u>\$3,850</u>
Total GST payable	\$5,050

Since the amount of GST collected is \$7,000, and the amount payable is \$5,050, the difference of \$1,950 is the GST Sundry Income for the year, and this amount is taxable. Our software will calculate these amounts for you to ensure you have paid or will pay the correct amount.

#### ACCOUNT 3020 - INTEREST INCOME - INVESTMENT INCOME

- Record any interest earned by your corporation during the fiscal year (bank account interest, GIC interest, etc.) and capital gains or losses from stock investments. Please send along your investment statements, as this area is often hard to decipher. Clients with investment income should expect a slightly higher cost due to the extra time involved in processing.

#### ACCOUNT 3050 - OTHER INCOME

- Please record details of all other income earned by your corporation up to and including year end.

## EXPENSES

### ACCOUNT 5570 - ACCOUNTING FEES

- Record any fees for accounting services and the names of the firms to whom payment(s) was/were made.

### ACCOUNT - 5720 - ADVERTISING

- Record expenses such as:
  - media advertising
  - gifts you have purchased for your clients
  - any expenses related to your image (advertising done through your personal appearance) such as:
    - clothing specifically dedicated to your type of business
    - dry cleaning and the care of your clothes
    - in some cases, expenses for personal grooming

### ACCOUNTS 5130 AND 5140 - AUTOMOBILE EXPENSES

- Revenue Canada requires that an accurate mileage log be kept when a car is driven for business and personal purposes. You should keep a weekly or monthly log indicating:
  - The total kilometres driven
  - The kilometres driven to earn income
- Using these two figures, you can calculate the percentage that your auto is used for business purposes, therefore accurately calculating the percentage of your fuel, repair, etc. that is allowable as an auto expense. Record all vehicle expenses in separate categories, such as:
  - fuel
  - repairs and parts
  - licence and registration fees
  - insurance
  - general maintenance (oil changes)
  - leasing costs (maximum monthly allowable expense is \$650.)
  - interest on auto loans
- You may also claim depreciation on your personal auto. In order to calculate this, we need the value of the car at the beginning of the fiscal year. If you have purchased a new car during the year, a copy of the bill of sale will help us to calculate the allowable depreciation for you. As an alternative to claiming a percentage of your expenses, you (as a corporation) can pay yourself (as an employee) a car allowance as follows:
  - **\$0.35 per kilometre for the first 5000 kilometres of business mileage**
  - **\$0.29 per kilometre for the balance**Obviously, both methods need to be calculated, and the one resulting in a higher expense is the one to claim.

### ACCOUNT 5490 - BANK CHARGES

- Record all bank charges from your bank statements, including costs of printing cheques.

### ACCOUNT 5520 - BOOKS AND PERIODICALS

- Include costs of books, magazines, newspapers, videos, etc. which assist you in any way in your business.

## ACCOUNT 5710 - BUSINESS PROMOTION

- Record all meal and entertainment expenses for actual or potential clients. Also list expenses, such as:
  - tickets to entertainment or sporting events
  - private boxes at sports events
  - gratuities and cover charges
  - room rental to provide entertainment
  - cost of food and drink if entertaining at home

**Note:** All amounts listed under ACCT. 571 will be taken at 50% on your corporate tax return. Do not reduce them by 50% when reporting the expenses, as this will lead to confusion. Revenue Canada allows only 50% to be claimed, as they feel you are receiving some personal benefit from these expenses.

## ACCOUNT 5620 - COMPUTER SUPPLIES

- Record here all computer related expenses under \$200 each excluding sales taxes. Items over \$200 each are classified as assets and are covered further on in this guide. Such expenses would include:
  - hardware and software items under \$200
  - diskettes
  - printer ribbon or toner
  - printer paper
  - monthly charges for on-line services, computer club charges, etc.

## ACCOUNT 5870 - CONSULTING FEES

- Record payments made to subcontractors or to yourself, if you take your wages as consulting fees. If you take consulting fees, you should use the long method of GST for your corporation and the quick method personally.

## ACCOUNT 7010 - DEPRECIATION

- Depreciation is a method of writing off the cost of an asset (items over \$200 each before sales taxes) over its useful life. Such items would be computer hardware, software, furniture, office equipment; the amount calculated each year is based on the undepreciated cost.

**The more common rates of depreciation are:**

	<u>First Year</u>	<u>Subsequent Years</u>
Auto	15%	30%
Computer Hardware	15%	30%
Computer Software	50%	100%
Furniture	10%	20%
Office Equipment	10%	20%

**Note:** Our software will calculate the depreciation for you once we have determined what the value of your assets is.

## ACCOUNT 7020 - EDUCATION AND SEMINARS

- Record costs of courses taken or seminars attended. A maximum of two seminars or conventions per year may be claimed, provided they are business related.

#### **ACCOUNT 5850 - EMPLOYEE BENEFITS**

- Record the employer's share of CPP that you have paid during the year, as well as Employer Health Tax.

#### **ACCOUNT 5400 - GENERAL EXPENSE**

- Record any small incidental expenses here that don't fit into any other category. If you are not sure where to put it, put it here.
- **Expenses are not always all or nothing.** Although it may not be appropriate to claim 100% of a particular expense, it may be reasonable to claim a portion for business purposes. If you put these items into the general category and give us a **breakdown** as mentioned above, then you can discuss their deductibility with us at your year-end.

#### **ACCOUNT 5510 - INSURANCE**

- Include amounts paid for commercial insurance on buildings and equipment, as well as health and dental premiums paid to a group plan. Do not deduct disability premiums unless you are willing to pay income tax on any disability benefits received in the future.

#### **ACCOUNT 5480 - INTEREST EXPENSE**

- Interest paid on money borrowed to earn income is a deductible expense.

#### **ACCOUNT 5630 - OFFICE SUPPLIES**

- Record items such as stationery, postage, paper, pens, pencils, delivery expenses and general office supplies.

#### **ACCOUNT 5550 - PROFESSIONAL FEES**

- Record any legal or professional fees paid which may assist you to earn income, the fee to incorporate your business, as well as a membership in a professional association.

#### **ACCOUNT 5760 - (RENT) ALLOCATION OF HOME EXPENSES - OFFICE IN HOME**

- Record expenses that will be used in calculating your home office expenses, such as:
  - heat, hydro, water
  - mortgage interest
  - home insurance
  - property taxes or rent
  - landscaping and decorating
  - repairs and maintenance

**Note:** Calculate the percentage allowable by taking the amount of space used for your home office versus the total square footage of your home. Don't forget to include your garage if you use your car for business.

#### **ACCOUNT 5770 - RENT EXPENSE OUTSIDE OF HOME OFFICE**

- Record expenses paid for rent outside the home office.

### **ACCOUNT 5780 - REPAIRS AND MAINTENANCE**

- Record repairs of a strictly business nature not included as part of your home, such as:
  - computer and equipment repairs
  - installation of electrical or telephone jacks in the office portion of your home

### **ACCOUNT 5930 - TELEPHONE**

- Record expenses for cellular phones and on-line services, as well as long distance calls for business made from your home telephone.

**Note:** Basic residential service is not deductible

### **ACCOUNT 5940 - TRAVEL**

- Record all business travel expenses such as plane, train, taxi and public transportation, as well as:
  - hotel accommodations
  - parking
  - meals, etc.

### **ACCOUNT 5860 - WAGES AND SALARIES**

- Record wages paid to any employees who are **not** directors of your company.

**Note:** Your spouse and children can be hired as employees.

## DIRECTORS' ADVANCES

### **ACCOUNT 1090 - DIRECTORS' ADVANCES**

- Record all withdrawals you have made for personal use during the year.

## FIXED ASSETS

### **ACCOUNT 1480 - AUTOMOBILE (NOT PERSONAL AUTO)**

### **ACCOUNT 1420 - COMPUTER EQUIPMENT**

### **ACCOUNT 1440 - COMPUTER SOFTWARE**

### **ACCOUNT 1460 - OFFICE EQUIPMENT**

### **ACCOUNT 1500 - OFFICE FURNITURE**

- Record here all purchases in these categories which cost **over** \$200.00 each, before taxes. Record also the GST included in these purchases, as this is recoverable against the GST payable on your contract revenue.

## PAYMENTS TO GOVERNMENT AGENCIES

### **ACCOUNT 2070 GST PAYABLE**

- Record details of all payments made, and please include working copies of your GST Returns. If you are using the Quick Method for GST, you must remit 4% of the first \$30,000.00 of your gross revenue (\$28,037 plus 7% GST collected), and 5% of the remainder of your gross revenue, including GST. From this amount you may deduct any GST you have paid on assets purchased during the period (items over \$200.00.00 each before taxes.)
- If you are using the Long Method for GST, you will remit all of the GST collected, less all the GST you have paid on all purchases.

### **ACCOUNT 2880 - FEDERAL TAX PAYABLE**

- Record details of corporate taxes paid to Revenue Canada. We also need copies of the statements Revenue Canada sends you that reflect these payments.

### **ACCOUNT 2900 - PROVINCIAL TAX PAYABLE**

- Record details and provide copies of statements as for Federal taxes above.

### **SPECIAL NOTE RE SOURCE DEDUCTIONS**

- Please provide details and copies of statements showing source deductions you have remitted. The details should also reflect the amount of CPP you have paid, both as employee and employer.

**RECORDING REVENUE & EXPENSE DATA**

**ACCOUNTS PAYABLE**

- Refers to debts incurred by the corporation for the purchase of goods and/or services during the usual course of business:
  - which have not been paid by the fiscal year end
  - which have been paid by the year end, but which have not cleared the bank

**ACCOUNT 2050 - ACCOUNTS PAYABLE\***

Date	Item Details	Total Including Tax	Amount Paid By Year End	Amount Outstanding At Year End
<b>Total</b>				\$

**Brief Notes or Explanations:**



## BANK SUMMARY

- Opening Bank Balance (insert date of first day of your corporate year)

**Add:**

- Deposits
- Contract Income
- Personal funds deposited
- Maturing GIC's
- Interest received
- Etc.

**Subtract:**

- Withdrawals/Cheques
- Payments to Directors
- Bank Charges
- Federal Corporate Tax Payments
- Provincial Corporate Tax Payments
- GST Paid
- All other expenses (See Manual for complete category list)

- **Ending Bank Balance (insert year-end date)**



EXPENSES

Account Number	Expense Category	Amount Including GST			Total GST paid (if long method)	Remarks
		Paid through corporate bank account	Paid otherwise personally, credit card, other	Business portion of expense (%)		
5570	Accounting					
	<b>Total</b>				\$	
5720	Advertising					
	<i>Clothing</i>					
	<i>Dry Cleaning</i>					
	<i>Ads (newspaper etc.)</i>					
	<i>Gifts (business)</i>					
	<b>Total</b>				\$	
5130	Automobile #1					
	Total km for year	N.A.	N.A.	N.A.	N.A.	km
	Business km for year	N.A.	N.A.	N.A.	N.A.	km
	<i>Insurance</i>					
	<i>Licence Fee</i>					
	<i>Gas</i>					
	<i>Repairs</i>					
	<i>Leasing costs</i>					
	<i>Car Loan Interest</i>					
	<i>Depreciation</i>					
	<b>Total</b>				\$	
	*Business use %	N.A.	N.A.	N.A.	N.A.	%
	<b>Total Auto #1</b>					
5140	Automobile #2					
	Total km for year	N.A.	N.A.	N.A.	N.A.	km
	Business km for yr	N.A.	N.A.	N.A.	N.A.	km
	<i>Insurance</i>					
	<i>Licence Fee</i>					
	<i>Gas</i>					
	<i>Repairs</i>					
	<i>Leasing Costs</i>					
	<i>Car Loan Interest</i>					
	<i>Depreciation</i>					
	<b>Total</b>					\$
	* Business use %	N.A.	N.A.	N.A.	N.A.	%
	<b>Total Auto #2</b>					
5490	<b>Bank Charges</b>					
	<i>From Statements</i>					
	<i>Safety Deposit Box</i>					
	<i>New Cheques</i>					
	<b>Total</b>					\$

Account Number	Expense Category	Amount Including GST			Total GST paid (if long method)	Remarks
		Paid through corporate bank account	Paid otherwise personally, credit card, other	Business portion of expense (%)		
5520	<b>Books &amp; Periodicals</b>					
	<i>Books</i>					
	<i>Magazines</i>					
	<i>Newspapers</i>					
	<i>Others</i>					
	<b>Total</b>				\$	
5710	<b>Business Promotion</b>					
	<i>Meals with Directors</i>					
	<i>Entertainment</i>					
	<i>Meals with clients</i>					
	<i>Sports tickets, etc.</i>					
	<b>Total</b>				\$	
5620	<b>Computer Supplies</b>					
	<i>Hardware &lt; \$200</i>					
	<i>Software &lt; \$200</i>					
	<i>Supplies e.g. Toner</i>					
	<i>Internet</i>					
	<b>Total</b>				\$	
5870	<b>Consulting Fees</b>					
	<i>Amounts Paid to Other Consultants</i>					
	<b>Total</b>				\$	
7010	<b>Depreciation</b>					
	<b>Total</b>				\$	
6500	<b>Directors' Fees</b>					
	<i>Director #1</i>					
	<i>Director #2</i>					
	<i>Director #3</i>					
	<i>Director #4</i>					
	<i>Director #5</i>					
	<i>Director #6</i>					
	<b>Total</b>				\$	
7020	<b>Education &amp; Seminars</b>					
	<i>Education</i>					
	<i>Seminars, etc.</i>					
	<b>Total</b>				\$	

Account Number	Expense Category	Amount Including GST			Total GST paid (if long method)	Remarks
		Paid through corporate bank	Paid otherwise personally, credit card, other	Business portion of expense (%)		
5850	<b>Employee Benefits</b>					
	<i>Employer Portion CPP</i>					
	<i>Employer Health Tax</i>					
	<b>Total</b>				\$	
5400	<b>General Expense</b>					
	<i>Annual Ont. Corp. Fee</i>					
	<i>Other</i>					
	<b>Total</b>				\$	
551	<b>Insurance</b>					
	<i>Commercial Insurance</i>					
	<i>Health/Dental (if paid to Group Plan)</i>					
	<i>Disability Life Insurance</i>					
	<i>Life Insurance</i>					
	<b>Total</b>				\$	
5480	<b>Interest Expense</b>					
	<i>Federal Corp. Tax</i>					
	<i>Provincial Corp. Tax</i>					
	<i>Paid on Investments</i>					
	<b>Total</b>				\$	
5630	<b>Office Supplies/Exp.</b>					
	<i>Office Furniture &lt; \$200</i>					
	<i>Office Equipment &lt; \$200</i>					
	<i>Supplies</i>					
	<i>Postage</i>					
	<i>Courier</i>					
	<b>Total</b>				\$	
5550	<b>Professional Fees</b>					
	<i>Legal Fees</i>					
	<i>Incorporation Fees</i>					
	<i>Professional Fees</i>					
	<b>Total</b>				\$	
5780	<b>Repairs &amp; Maintenance</b>					
	<i>Computer Repair</i>					
	<i>Equipment Repair</i>					
	<i>Other</i>					
	<b>Total</b>				\$	

Account Number	Expense Category	Amount Including GST			Total GST paid (if long method)	Remarks
		Paid through corporate bank account	Paid otherwise personally, credit card, other	Business portion of expense (%)		
5760	<b>Home Office Expense</b>					
	Gas					
	Hydro					
	Water					
	Mortgage Interest					
	Insurance					
	Property Tax					
	Landscaping					
	Decorating					
	Repairs/Maintenance					
	<b>Total</b>				\$	
	* Business Use %	N.A.	N.A.	N.A.	N.A.	%
	Amount Claimed					
5770	<b>Rent</b> (separate from home office)					
	<b>Total</b>				\$	
5930	<b>Telephone</b>					
	Business Line					
	Long Distance (if using residential phone)					
	Cellular Phone					
	<b>Total</b>				\$	
5940	<b>Travel Expenses</b>					
	Air/Train					
	Taxi/Limo, etc.					
	Accommodations					
	Parking					
	Meals (travel)					
	Transit					
	<b>Total</b>				\$	
5860	<b>Wages and Salaries</b>					
	<b>Total</b>				\$	

**FIXED ASSETS**

- Account 1480 - Automobile (not if personal automobile)**
- Account 1420 - Computer Equipment**
- Account 1440 - Computer Software**
- Account 1460 - Office Equipment**
- Account 1500 - Office Furniture**

<b>Account Number</b>	<b>Date of Purchase</b>	<b>Item Purchased</b>	<b>Amount Excluding Tax</b>	<b>PST Paid</b>	<b>GST Paid</b>	<b>Total Paid</b>

**Brief Notes or Explanations:**

INCOME

**ACCOUNT 3010 - CONTRACT REVENUE (UP TO AND INCLUDING YEAR END)**

Date of Invoice	Date Deposited in Bank	Amount of Invoice excluding GST	GST charged on Invoice	Total of Invoice including GST
<b>Total</b>				<b>\$</b>

**Brief Notes or Explanations:**

**ACCOUNT 3030 - GST SUNDRY INCOME**

(1)	Total Revenue (Net of GST)	
(2) = 7% of (1)	GST Collected	
(3) = (1) + (2)	Total Revenue Including GST	
(4) = 4% of \$30,000	4% GST Payable on the first \$30,000	\$1200
(5) = 5% of (3) - (4)	5% GST Payable on the balance of \$	
(6) = (4) + (5)	Total GST Payable	
(7) = (2) - (6)	Difference (GST Sundry Income)	

**ACCOUNT 3020 - INTEREST AND INVESTMENT INCOME (up to and including year end)**

**Note: Please remember to include all investment statements**

<b>Date Deposited in Bank</b>	<b>Name of Investment</b>	<b>Name of Financial Institution</b>	<b>Amount of Income</b>
<b>Total</b>			<b>\$</b>

**ACCOUNT 3050 - OTHER INCOME (up to and including year end)**

**Note: Please include any other income, with full details, in the area below**

<b>Date Deposited in Bank</b>	<b>Details of Income</b>	<b>Amount of Income</b>
<b>Total</b>		<b>\$</b>

**Brief Notes or Explanations:**

PAYMENTS TO GOVERNMENT AGENCIES

CORPORATE TAX INSTALLMENTS

**ACCOUNT 2880 - FEDERAL TAX - RECEIVER GENERAL**

Date Paid	Taxation Year	Interest	Penalty	Amount of Payment	Total
<b>Total</b>					<b>\$</b>

**ACCOUNT 2900 - PROVINCIAL TAX - MINISTER OF FINANCE**

Date Paid	Taxation Year	Interest	Penalty	Amount of Payment	Total
<b>Total</b>					<b>\$</b>

**Brief Notes or Explanations:**

GOODS AND SERVICES TAX

**ACCOUNT 2070 - GOODS AND SERVICES TAX (Quick Method)**

Date of Payment	Quarter Applied To	Income for Quarter	GST collected For Quarter	ITC's* (Fixed Assets Only)	Amount Remitted
<b>Total</b>					\$

**ACCOUNT 2070 - GOODS AND SERVICES TAX (Long Method)**

Date of Payment	Quarter Applied To	Income for Quarter	GST collected For Quarter	ITC's** (All Purchases)	Amount Remitted
<b>Total</b>					\$

**Brief Notes or Explanations:**

**ITC (Input Tax Credit)**

- The "Quick Method" is the amount of GST paid out by the corporation for fixed assets (items over \$200) such as computer hardware, software, office furniture, equipment, etc.
- If you are using the **long method** of GST calculation, ITC refers to the amount of GST paid out on all expenses in addition to Fixed Asset purchases.

## Appendix A

### CORPORATION - INFORMATION REQUIRED FOR YEAR END

**In order to prepare your Annual Financial Statements and Corporate Tax Returns, we require the following:**

- (1) The completed "RECORDING INCOME AND EXPENSES DATA" BOOKLET
- (2) Corporate bank statements and cancelled cheques for the full fiscal year
- (3) Copies of Revenue Canada Statements showing any source deductions sent in during the year
- (4) Working copies of GST Returns filed for the year, including assessments received showing any interest/penalties charged during the year
- (5) Copies of federal and provincial Notices of Assessment for the **previous** taxation year
- (6) If installments were paid, a copy of Statement of Account from both the federal and provincial governments showing total installments paid for the year
- (7) Copies of statements for any brokerage accounts maintained in the company's name for the year-end period
- (8) Copies of any term deposit certificates which were taken out or matured during the year-end period
- (9) A list of deposits and withdrawals re Family Trust Account (if a trust has been set up)
- (10) Your Minute Book (if this is your first year end only)
- (11) Any other information you feel will help us complete your year end

· **If you have your own accounting program and are not using this booklet, please provide us with a copy of the General Ledger, Balance Sheet and Income Statement, along with Items 2 - 11 listed above.**

· In order to provide our services to you at a reasonable cost, your information must be presented in the requested format. In this way we will be able to process your year end in a cost effective and efficient manner. **Our basic package includes preparation of Financial Statements, Federal and Provincial Tax Returns and a Reconciliation of GST Owning.**

PLEASE COMPLETE THIS FORM AND BRING IT TO OUR OFFICE WITH ALL THE NECESSARY INFORMATION TO PREPARE YOUR YEAR END DOCUMENTS.

- Name of Company: \_\_\_\_\_
- Name of Client: \_\_\_\_\_
- HeadOffice \_\_\_\_\_
- \_\_\_\_\_ Postal Code: \_\_\_\_\_
- Bus.(\_\_\_\_) \_\_\_\_\_ Res.(\_\_\_\_) \_\_\_\_\_ Fax(\_\_\_\_) \_\_\_\_\_ E-mail: \_\_\_\_\_
- Names of Directors and Social Insurance Numbers:
  - \_\_\_\_\_ Social Insurance Number \_\_\_\_\_
  - \_\_\_\_\_ Social Insurance Number \_\_\_\_\_
- Date of Incorporation: \_\_\_\_\_
- Federal Account No.: \_\_\_\_\_ Provincial Account No.: \_\_\_\_\_
- Business Number \_\_\_\_\_ Employer Account No.: \_\_\_\_\_
- Have you established a Family Trust this year (Yes or No) \_\_\_\_\_
- Fiscal Year End (date) \_\_\_\_\_ GST Method (Quick or Long) \_\_\_\_\_
- Type of Business: \_\_\_\_\_ % of Total Income: \_\_\_\_\_
- \_\_\_\_\_
- Types and number of shares issued (From the Minute Book)

Type of share	Number Authorized	Number Issued	Total Value	Issued To	SIN Number

PLEASE CHECK THE APPROPRIATE BOX IF YOU WOULD LIKE US TO PROVIDE THE FOLLOWING ADDITIONAL SERVICES:

- |                                    |                              |                             |
|------------------------------------|------------------------------|-----------------------------|
| Preparation of T4's                | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| Preparation of T3's (Family Trust) | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| Preparation of T5's (Dividend)     | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| Preparation of T1's (Personal Tax) | Yes <input type="checkbox"/> | No <input type="checkbox"/> |