

Compilation Engagement Letter



Business Name	
CRA Business Number	
Year-End	
Completed By	

To prepare your year-end accounts we need to gather some information from you. It is important that you answer all questions completely as there could be tax consequences for incorrect information. All questions are in relation to the tax year being completed unless mentioned otherwise. If the answer to any question is "Yes" please supply additional details. These questions all relate to your business only, not your non-business personal activity.

THIS IS NOT A COMPREHENSIVE CHECKLIST. PLEASE NOTIFY US OF ANYTHING ELSE THAT MAY EFFECT YOUR ACCOUNTS OR TAX RETURN.

DO NOT DELETE ANYTHING FROM THIS CHECKLIST – ANSWER YES OR NO TO EVERY QUESTION.

Revenue

#	Question	Response
1	Did you receive any funds on behalf of the business that did not get deposited into the business bank account and recorded as revenue?	
2	Were there any deposits/pre-payments for incomplete work received at year-end?	
3	Is there any revenue recorded during the year that you have not completely delivered on?	
4	Was there any work in progress at year-end that has not yet been billed?	

Expenses - General

#	Question/Business	Response
1	Did you pay any expenses for the business from your personal funds that were not recorded as expenses?	
2	Are there any of your expenses that cover a period of more than 3 months (that span over the year-end date) and over \$200 (such as annual insurance, memberships, service contracts, etc.)?	
3	Did you enter any new or renewed lease agreements during the year?	
4	Are there any expenses recorded (other than as Drawings) that are personal in nature?	
5	Have you paid interest or penalties to any federal, provincial or municipal government?	
6	Have you paid for any life insurance through the business accounts?	

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#	Question/Business	Response
7	Do you advertise in any non-Canadian printed media?	
8	Did you attend any conventions during the year?	
9	Did you pay any membership fees to sports or health clubs from company accounts?	
10	Did you make any charitable donations from company accounts/assets?	
11	Do you engage in any activities that are in the nature or Research and Development?	
12	Did you make any political contributions from company accounts?	
13	Did you pay any person related to you any wages, salary, consulting fee or other amount?	

Expenses - Payroll

#	Question	Response
1	Do you pay wages and/or salary to any staff?	
2	Do you make payments to Canadian Resident individuals and DO NOT deduct tax/CPP/EI?	
3	Are you registered as an employer for Workers Compensation (WSIB Ontario)? If no – why not? If yes – send your most recent premium notice.	
4	Send us your T4 Summary at Dec 31.	

Expenses – Motor Vehicle (Business owned)

#	Question	Response
1	Are there any vehicles leased or owned within the business? If no – skip the rest of this section.	
2	Are any of the vehicles available to employees/shareholders for personal use? If no – explain how this is ensured and enforced. If yes – was the value of this benefit (stand-by and use charges) included on a T4 or T4A slip?	
3	Please supply a log book showing the mileage of the vehicle for the year.	

Expenses – Motor Vehicle (Personally owned)

#	Question	Response
1	Do you use a personal vehicle (owned or leased) for business use? If no – skip the rest of this section.	
2	Are all expenses related to operating this vehicle recorded in Xero?	
3	Please supply a log book showing the mileage of the vehicle for the year.	

Expenses – Home Office

#	Question	Response
1	Do you use your personal residence for business purposes? If no – skip the rest of this section.	
2	Please complete the Home Office Expenses form.	
3	Are any of these expenses already recorded in any expense accounts?	

Bank Accounts and Credit Cards

#	Question	Response
1	Are there any bank accounts or credit cards that you use for business that are not already recorded?	
2	Please supply your bank statement(s) and credit card statement(s) for all accounts showing the balance at the year-end date.	

Assets

#	Question	Response
1	Did you sell or dispose of any capital assets during the year?	
2	If you maintain goods for sale did you have any inventory on hand at year-end? Please supply list of items and their cost price (excl. recoverable sales tax).	
3	Are there any amounts receivable that are NOT recorded as Receivables at year-end (review the Aged Receivables report as at year-end)?	
4	Are there any amount listed in Aged Receivables that you no longer expect to be able to receive in full?	
5	If any investments are recorded in the business books please provide statements for the entire year.	
6	If you purchased any new high-value assets during the year please supply copies of the purchase documentation.	
7	Do you have investments or assets held outside Canada (other than normal receivables?)	
8	Did you write off any loans receivables during the year (other than as regular trading receivables)?	

Liabilities

#	Question	Response
1	Did you take out any loans during the year?	
2	Are there any amounts payable that are NOT recorded as Payables or loans (review the Aged Payables report as at year-end)?	

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#	Question	Response
3	Please print a Detailed Transactions Report for the two months after year-end and highlight any transaction that actually relates to last year (exporting to Excel is fine).	
4	Please supply statements for any loans during the year.	

Corporations Only

#	Question	Response
1	Has your share structure or shareholdings changed during the year?	
2	Has your business address or registered office address changed since the last return?	
3	Have your Directors changed since the last return?	
4	Have any of the shareholders acquired or disposed of an interest in any other Canadian privately-held corporation?	
5	Were any dividends declared and/or paid during the year?	
6	If there are any vehicles leased or owned within the corporation, are these available to shareholders for personal use? Was the value of this benefit (stand-by and use charges) included on a T4 or T4A slip?	
7	Have any minutes or resolutions of directors or shareholders been prepared and/or signed since the last year-end?	
8	Is any part of the business carried on outside of Canada?	

Other

Please use the space below to document anything else that we might need to know.

Attachments

Here is a list of the most common documents that you need to include with this form (but they may not all apply to you – check your responses to the questions above):

- Copies of bank statements for all accounts at year-end (if we don't already have them)
- Detailed Account Transactions report highlighting any items in the 2 months after year-end that may relate to the tax year
- Loan statements
- Details of new loans or leases
- Documentation for new significant assets
- Corporate resolutions/minutes
- Business Use of Home form
- Motor Vehicle log books
- T4 Summary

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SUBMITTING THIS FORM TO US MEANS THAT YOU CERTIFY THAT YOU HAVE NOT OMITTED ANY RELEVANT INFORMATION. WE TAKE NO RESPONSIBILITY FOR THE CONSEQUENCES IF ANY INFORMATION IS INCORRECT OR MISSING.