

Model cashbook

If you're using the payments basis of accounting you'll find the cashbook a very easy and convenient system of accounting for GST.

How to complete your GST return using a cashbook

Before you can start filling in your GST return, you need to reconcile your cashbook with your bank statements.

This simply means balancing your bank statement against the money you've paid or received. If you have difficulty reconciling your cashbook, your tax agent or bank should be able to help. Refer to Part 3 of our *Smart business (IR 320)* guide which you can view or download at www.ird.govt.nz "Forms and guides".

Step 1

Write the GST content for each bank reference which includes GST in the GST received or paid column (multiply each bank total by 3 and divide by 23). Remember, there are some sales and income, and purchase and expense items that have no GST included in the bank total. Leave the GST column blank for these items.

Cashbook – sales and income

DATE	REFERENCE	INV#	BANK	GST RECEIVED	SALES	GRANTS	FUNDS INTRODUCED (NO GST)	INTEREST (NO GST)	SUNDRY
3 June	Customer (sale)	7	2,000 00	260 87	1,739 13				
5 June	Government (grant)		450 00	58 70		391 30			
8 June	Sale of computer (fixed asset)		1,125 00	146 74					978 26
15 June	Owner – Partner		800 00				800 00		
22 June	Bank interest		15 35					15 35	
25 June	Customer (sale)	8	1,750 00	228 26	1,521 74				
26 June	Commission sales	9	2,500 00	326 09	2,173 91				
	TOTALS		8,640 35	1,020 66	5,434 78	391 30	800 00	15 35	978 26

Step 2

Once you have reconciled your cashbook to your bank statement, total the columns of your cashbook. For more information on reconciling your cashbook and bank statements, see Part 3 of our *Smart business (IR 320)* guide.

Cashbook – purchases and expenses

DATE	REFERENCE	CHR	BANK	GST PAID	PURCHASES	COMMERCIAL RENT	MOTOR VEHICLE	WAGES (NO GST)	LOAN REPAYMENT (NO GST)	PRIVATE DRAWINGS (NO GST)	SUNDRY
3 June	Stock Ltd (purchase)	100	3,500 00	456 52	3,043 48						
3 June	H. Elp (wages)	101	881 00					881 00			
8 June	Landlord (commercial rent)	102	750 00	97 83		652 17					
15 June	Petrol co	103	55 00	6 52			43 48			5 00	
22 June	PAYE paid to IRD	104	195 00					195 00			
25 June	Partner drawings	105	400 00							400 00	
28 June	GST paid to IRD	106	310 98								310 98
30 June	Bank fees	DD	10 25								10 25
30 June	Loan	AP	800 00					800 00			
	TOTALS		6,902 23	560 87	3,043 48	652 17	43 48	1,076 00	800 00	405 00	321 23



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Goods and Services Tax Act 1985

Goods and services tax return

For help in completing this return go to www.ird.govt.nz (keyword: IR375)

GST 101A
October 2010

A M BROWN AND M A SMITH PARTNERSHIP
PO BOX 2198
WELLINGTON 6000

Registration no. **1** 909-128-438
Period covered by the return **ONE MONTHLY**
from 01/06/11 **2** to 30/06/11

This return and any payment are due **28 JULY 2011**

If your correct postal address for GST is not shown above, print it in Box 3.

Payments basis If your correct daytime phone number is not shown here, print it in Box 4 **04 497 7777** **4**

Area code Phone number
7 8 2 5 0 6

Goods and services tax on your sales and income

Total sales and income for the period (including GST and any zero-rated supplies) **5** \$ **7 8 2 5 0 6**

Zero-rated supplies included in Box 5 **6** \$

Subtract Box 6 from Box 5 and enter the difference here **7** \$ **7 8 2 5 0 6**

Multiply the amount in Box 7 by three (3) and then divide by twenty-three (23) **8** \$ **1 0 2 0 6 6**

Adjustments from your calculation sheet **9** \$

Add Box 8 and Box 9. This is your total GST collected on sales and income **10** \$ **1 0 2 0 6 6**

Goods and services tax on your purchases and expenses

Total purchases and expenses (including GST) for which tax invoicing requirements have been met—excluding any imported goods **11** \$ **4 3 0 0 0 0**

Multiply the amount in Box 11 by three (3) and then divide by twenty-three (23) **12** \$ **5 6 0 8 7**

Credit adjustments from your calculation sheet **13** \$

Add Box 12 and Box 13. This is your total GST credit for purchases and expenses **14** \$ **5 6 0 8 7**

Print the difference between Box 10 and Box 14 here **15** \$ **4 5 9 7 9**

If Box 14 is larger than Box 10 the difference is your GST refund. If Box 10 is larger than Box 14 the difference is GST to pay. (Tick one) Refund GST to pay

Has payment been made electronically? Yes No

Signature *AM Brown* Date **20/07/11**



Payment slip

Registration number **909-128-438**
Return for the period ending **30 JUNE 2011**
Amount of payment \$ **4 5 9 7 9**

This return and any payment are due **28 JULY 2011**

Use the envelope provided to post your return, payment slip and any cheque payment. Copy your total from Box 15 and enter it here. Include any late payment penalties for this period only.

Step 3

GST on sales and income
Transfer the GST received total from your cashbook to Box 8 of your GST return. Multiply the amount in Box 8 by 23 and divide by 3. This will give you the total sales and income amount including GST. Write this figure in Box 7.

If you have any zero-rated supplies write the total in Box 6. Add Box 7 and Box 6. This is your total for Box 5.

GST on purchases and expenses

Transfer the total GST paid on purchases and expenses to Box 12 of your return. Multiply the amount in Box 12 by 23 and divide by 3 and put your answer in Box 11. This will give you the total purchases and expenses amount including GST.

Step 4

If you have any GST adjustments to make, add them up and show the adjustment totals in Boxes 9 and 13. Remember, the amount to enter is the GST portion only. Keep a record of how you calculated your adjustments for Boxes 9 and 13.

For more information see "Adjustments" on the back of this page or see our website www.ird.govt.nz/gst

Any questions?