



Republic of Trinidad & Tobago
MINISTRY OF PLANNING, HOUSING &
ENVIRONMENT
CENTRAL STATISTICAL OFFICE
BUSINESS SURVEYS SECTION

**INSTRUCTIONS FOR THE COMPLETION OF SURVEY
OF ESTABLISHMENTS GENERAL LONG FORM
QUESTIONNAIRE**

**PLEASE READ CAREFULLY. THESE INSTRUCTIONS
SHOULD BE KEPT FOR FUTURE USE. THE
COMPLETED QUESTIONNAIRE SHOULD BE SENT TO
THE CSO BY THE DUE DATE ON THE FORM.**

**These instructions are designed to assist
owners/managers/accountants in completing our General
Long Form questionnaire.**

**For those firms which annually complete our forms, these
instructions would serve to clarify any misinterpretation
with respect to the various items in specific SECTIONS on
the form.**

GENERAL INSTRUCTIONS TO ESTABLISHMENT

Firms are required to complete this questionnaire with as much detail as possible. Information from financial statements which includes **EXPENDITURE & RECEIPTS** is normally used to complete Sections 3 to 9.

If the firm is unable to complete the questionnaire, then copies of **audited financial statements**, pertaining to the Survey Year under review, can be submitted to the Business Surveys Section.

However, firms supplying financial statements must complete Section 1- Characteristics of Establishment.

If the firm employs less than five persons and does not have audited financial statements, then information from the various record keeping books maintained by the firm can be used to complete the form.

This fact should be stated in the REMARKS section of the questionnaire. E.g. **Information supplied on this form was taken from unaudited financial accounts.**

Data pertaining to non-residents (either establishments or persons) are to be entered in the various sections wherever applicable.

All questions must be answered wherever applicable to your firm. Kindly provide details when it is necessary. If there is no information for a particular item on the form, insert zero (0) for that item.

This survey is conducted in accordance with the Statistics Act, Chapter 19:02 of the Revised Laws of Trinidad & Tobago (1981). Accurate data is therefore important. Information provided is utilized by the Central Statistical Office to calculate the Gross Domestic Product (GDP) of Trinidad & Tobago.

SECTION 1 CHARACTERISTICS OF ESTABLISHMENT

Items 1.1 and 1.2 - Indicate the name/address/phone number/fax/email/website. This is necessary as it enables the CSO to compare current information from the firm with data that exists in the Business Surveys Section.

Item 1.3 – To be completed only if information is different from **1.1** and **1.2** above.

Item 1.4 - The **activity of the establishment** must be stated in adequate detail to enable the CSO to classify the firm into an appropriate industry. If there is more than one activity, it should be listed in descending order of importance.

The activity that generates the **most income** is considered the main activity (1) of the establishment. One major criterion that can be used to determine importance is the contribution of each major type of activity to the total sales of the establishment.

Item 1.5 - Firms are asked to provide data for either the calendar year or the financial year. The calendar year is from January to December, whilst the financial year is any 12 consecutive months.

The financial year must cover **at least six (6) months of the current survey year** for that data to be applicable to the survey.

E.g. If the firm's financial year is from **March 1st 2006 to February 28th 2007**, then this information pertains to **Survey Year 2006** since it covers at least six months in the year 2006.

Item 2.1 – **Number employed at the end of the following periods.**

- (i) State the number of employees on payroll for the last full pay period in May and November.
- (ii) Exclude directors paid by fees only and employees who are indefinitely away from their job without pay e.g. strikes, lockout etc.
- (iii) In cases where the figures for May/November are not available or do not truly reflect the employment levels for the accounting year, an average for that year should be given for each of the months that data is required.

Item 1.6 - **Year began operation** refers to the YEAR in which the company began operation **OR** the YEAR the company began operating under its present management.

Item 1.8 - **Ownership of Equity**

Enter the percentage of local or foreign ownership of the establishment. If there is foreign ownership, the country must be specified together with the corresponding % of share capital held by those foreign nationals.

**INSTRUCTIONS FOR THE COMPLETION OF
SECTIONS 3 TO 9**

**PLEASE PROVIDE ESTIMATES (E) IN \$TT WHEN
ACTUAL FIGURES ARE NOT AVAILABLE FOR ANY
ITEM BELOW. INDICATE (E) NEXT TO THE FIGURE
GIVEN.**

SECTION 3 – CURRENT EXPENDITURE

Item 3.1. – Total payments to all employees, directors etc.
= Items 3.1.1 + 3.1.2 + 3.1.3 + 3.1.4 + 3.1.5.

3.1.1.1. - Gross wages and salaries paid to employees. Enter the wages and salaries paid before deductions for Income Tax, National Insurance, Pension Schemes, Health Surcharge etc. Include in the above commissions, bonuses, tips, cost of living allowances, overtime payments, sick leave etc.

3.1.1.2. - Contributions made by employers are entered and not actual benefits paid to employees.

Item 3.1.1 = 3.1.1.1 + 3.1.1.2

3.1.2. - Include the cost to employers of food, housing, medical, welfare facilities and other services provided to their employees free of charge or at a reduced cost. These should be clearly and primarily to the benefit of employees as consumers.

Goods and services that are of benefit to the employers as well as their employees should be specified under **3.9.22. – All other current expenses n.e.s.**

3.1.3 - Directors' fees (excluding payments of dividends) represent total fees/compensation paid to directors of the company in the financial year.

3.1.4 - Stated here is the amount paid by employers as a contribution to the National Insurance Fund.

3.1.5 - Include any other payments to employees not included above such as retirement pensions, severance pay etc. Please specify each payment.

Item 3.2 - Total cost of raw materials purchased for the period

This item applies to firms in the **manufacturing industry** only.

These will include all purchases of non-durable goods consumed in order to produce the goods/services of the establishment.

For imported items, enter the price actually paid (c.i.f. values). Exclude customs duty paid which is to be entered at **3.9.13.3** and cost of hired transportation which is to be entered at **3.9.1.**

Transfers of raw materials from other establishments which are to be used as inputs into production should be treated as purchases.

Values should be assigned in these cases based on their cost inclusive of materials, labour, overheads and profit margins.

Item 3.3 - Cost of goods purchased for resale in the same condition as purchased (retail and wholesale)

This includes both local or/and foreign goods. The price actually paid for the goods should be entered exclusive of any rebates received.

For imported goods, enter the price actually paid (c.i.f. values). Exclude duty paid which is to be entered at **3.9.13.3** and cost of hired transportation which is to be entered at **3.9.1.**

Item 3.4 – Containers, wrappers and packaging material

This item pertains to firms involved in manufacturing / distribution activities.

Item 3.5 - All other purchases of materials and supplies

This category is sub-divided into **(3.5.1 & 3.5.2)**

3.5.1 Stationery and other office supplies

This includes expenses incurred in obtaining office stationery and regular office supplies. E.g. pen, calculator, copy paper etc. Exclude items such as Raw materials which is placed in 3.2 and Cost of fuel and electricity which is in 3.8.

3.5.2 All other purchases

This includes purchases that are not necessarily consumed in the production process. This item also includes services such as janitorial etc. Please **specify** details of all other purchases e.g. wooden pallets.

Item 3.6 – Tools (not capitalized)

Tools may be divided into two classes: machine tools and hand tools. Machine tools are a part of the machine and may be charged to the machinery accounts.

However, they usually wear out much more rapidly than the machine itself and/or are easily lost or stolen. They often have to be replaced.

The tools on hand at the close of the period are listed and valued at cost, with an allowance for wear and tear.

The figure entered here should be for small implements. It is **not** to be included in the capital account **Section 6.**

Item 3.7 – Payments to other establishments for sub-contract work

Sub-contract work is done by an individual or firm for a particular task. The employee is not associated with the permanent staff in the company to whom the sub-contract is assigned.

Firms submitting financial statements may have an item in their administrative expenses 'Contract Labour'. This is to be entered at **3.7.** It must not be entered at **3.1.1.1.**

Item 3.8 - Cost of fuel and electricity

This category is sub-divided into (3.8.1 to 3.8.3)

3.8.1 Fuel (for motor vehicles)

Gas & Diesel fuel for trucks, lorries & buses.

3.8.2 Fuel or natural gas (for commercial use)

Examples of this item are aviation fuel used in airplanes and natural gas used as a major input in certain industries.

3.8.3 Electricity

Item 3.9 Other current expenses

Current expenses include daily costs incurred in running and maintaining a business. This category is further sub-divided into 22 different sub-categories of expenses. These are;

3.9.1 Transportation cost - Hired

This refers to hired transportation only. Included is the cost of transportation for materials purchased or goods sold.

Note: Expenditure on maintenance and fuel should not be entered here.

3.9.2 Telephone, postage, courier, internet

3.9.3 Rental/lease of machinery, equipment, vehicles

This category is sub-divided into (3.9.3.1 & 3.9.3.2)

3.9.3.1 Rental/lease of vehicles

A figure should be given if the company rents or lease transport vehicles.

3.9.3.2 Rental/ lease of machinery and equipment other than vehicles

All other rental / lease of miscellaneous items can be included here

3.9.4 Rental/lease of buildings and lands

This category is sub-divided into (3.9.4.1 & 3.9.4.2)

3.9.4.1 Rental/lease of lands for agriculture, forestry & mining

3.9.4.2 Rental/ lease of buildings, office space and other lands.

This would include rental of warehouse, car park etc.

3.9.5 Interest and bank charges

This category is sub-divided into (3.9.5.1 & 3.9.5.2)

3.9.5.1 Interest (Loans and Overdrafts)

3.9.5.2 All other bank charges

This would include:

- i) Service charge on accounts
- ii) Bank drafts
- iii) Foreign exchange transactions etc.

3.9.6 Insurance (fire, machinery, vehicles)

Figures should reflect payment of insurance toward fire, machinery and vehicles used in the operations of the establishment and not for private use.

Life insurance is not included under this category. Neither is it included in 3.1.1.2, (Contributions by employers to pension plans...) or 3.1.2 (Cost of housing, medical, welfare facilities...), and 3.1.5 (Any other payments to employees).

Life insurance is also not included in 3.9.22 (All other current expenses n.e.s.)

3.9.7 Advertising and sales promotion (including sponsored entertainment)

This would involve all expenses incurred as a means of bringing a product or service to the attention of the public.

3.9.8 Business and professional services

This category is sub-divided into (3.9.8.1 to 3.9.8.7)

3.9.8.1 *Accounting/audit fees* - fees paid to private accountants and auditors for their services.

3.9.8.2 *Computer services*- services provided by a private company to the firm. e.g. installation of programs.

3.9.8.3 *Legal expenses*- fees paid to private legal firms and lawyers.

3.9.8.4 *Security* - fees paid to private security firms/individuals.

3.9.8.5 *Consultant fees* – monies paid for expert advice in a specific field.

3.9.8.6 *Payment to brokers* – fees paid to a person or firm who arranges business transactions. This would apply mostly to firms in the distribution industry.

3.9.8.7 *Other* - fees paid for any other business or professional service that the establishment might have incurred during the reporting period. E.g. printing services.

3.9.9 Patents, copyrights, franchise, licences, royalties

Definitions for these terms are;

- i) **Patent** – A patent is an exclusive property right granted to a patentee that prevents or excludes others from making, using, selling, offering to sell or importing a claimed invention.
- ii) **Copyright** - gives its owner the exclusive right to produce and sell reading matter and works of art.
- iii) **Franchise**- normally involves rights for a specified period. The cost of acquiring it should be amortized over that period e.g. names of fast food outlets.
- iv) **Licence** – A legal document giving official permission to do something.
- v) **Royalty** – The share of the product, or of the proceeds realized from the product, reserved by an owner for permitting another entity to exploit and use that entity's property, i.e. it is the rental paid to then original owner of property based upon a percentage of sales, profit or production.

3.9.10 Management fees

These are monies normally paid to persons external to the organization for services rendered. These persons are not normally employed permanently by the firm. Their tenure is dependant on the service that is provided by them.

3.9.11 Payments to commission agents (not staff)

This involves payment to a sales representative, usually based on a percentage of the value of sales made by the representative.

3.9.12 Maintenance and repairs

Enter only payments made for minor repairs not capitalized. This category is sub-divided into: (3.9.12.1 & 3.9.12.2)

3.9.12.1 Payments to other establishments

This category is sub-divided into (3.9.12.1.1 & 3.9.12.1.2)

3.9.12.1.1 Repair of motor vehicles and other transport equipment

These would be payments made to other establishments for repair services. Do not enter any estimates of value of work done by your own labour force which should be entered at **3.9.12.2.2**.

3.9.12.1.2 Maintenance and repair of other fixed assets

This would include repairs to machinery and equipment.

3.9.12.2 Expenditure on own account maintenance

This category is sub-divided into (**3.9.12.2.1 & 3.9.12.2.2**)

3.9.12.2.1 Payments for construction materials

These are payments made for construction materials used in normal repair work by your own staff. If entries are already included under **3.2, 3.3 or 3.5**, indicate this in the remarks section on the questionnaire.

3.9.12.2.2 Payments for parts and accessories used in own account maintenance work

Emphasis is on expenditure by the firm to do its own account work.

3.9.13 Payments to government (Indirect taxes/Taxes on Production)

This category is sub-divided into **3.9.13.1 to 3.9.13.3**

3.9.13.1 Rates, licence fees and other fees

This excludes water and sewerage rate, which is recorded in (**3.9.14.1**) It includes land and building taxes, motor vehicle licence, bar & restaurants licence etc.

3.9.13.2 Excise tax

This is a tax charged on the importation of spirits, beer and tobacco only. It is also paid on the production of these commodities.

3.9.13.3 Customs duty paid on imports

This is applicable only if it was not included in 3.2 (total cost of raw materials purchased for the period) or 3.3 (cost of goods purchased for resale in the same condition as purchased – retail and wholesale).

3.9.14 Other payments to government and statutory boards

This is sub-divided into (**3.9.14.1 to 3.9.14.7**).

3.9.14.1 Water and sewerage rates

These are water and sewerage rates paid to WASA. In some financial statements, an aggregate value for all utilities i.e. electricity, water and telephone may be stated in the accounts.

If this occurs, estimates based on the total figure can be made for each utility. e.g. WASA (20%), Telephone (15%) etc of the total amount. The firm decides the percentage contribution of the total utility bill to each service provider.

3.9.14.2 Income (corporation) tax paid/ payable for year of data

Entered tax charged against the income and capital gains of a resident company in Trinidad & Tobago. It also includes the previous year's liability that is to be paid in the current year.

3.9.14.3 Business levy

This is a tax on the gross sales or receipts of companies and individuals in receipt of income other than emolument income. E.g. self employed persons – Small Businesses and Partnerships. Gross Sales or Receipts mean all income received in the ordinary course of business activities before allowing any deductions for business expenses.

3.9.14.4 Withholding tax

Refers to those taxes that are withheld from an employee's compensation to account for that individual's tax liability on his/her compensation.

3.9.14.5 Green Fund Levy

The Green Fund Levy is paid by any company carrying on business in Trinidad & Tobago whether or not such business is exempt from the Business Levy.

3.9.14.6 Fines and penalties paid to public authorities

Entered here should be fines and penalties paid to Government or Statutory bodies e.g. late payment for income tax, corporate tax etc. These should be specified.

3.9.14.7 Other payments

These should be specified. This includes: Environmental Tax, Pollution Tax etc.

3.9.15 Travel and entertainment

This includes money spent on local and foreign travel/entertainment.

3.9.16 Bad debts written off less recoveries - This is equal to;

Bad debts from debtors - monies owed to the company that was recovered from debtors.

3.9.17 Scholarships and training

Money spent on scholarships and training for staff.

3.9.18 Subscriptions

Money paid for subscriptions to magazines, periodicals, newspaper, professional membership organizations etc.

3.9.19 Donations and charities

This includes donations and charities given to religious organizations, NGO's and private individuals.

3.9.20 Loss on foreign exchange transactions

This is money lost through foreign exchange transactions. For e.g. goods purchased at a higher exchange rate followed by devaluation. This can occur with goods purchased in U.S dollars or any other foreign currency.

3.9.21 Loss on disposal of fixed assets

The sale of fixed assets at a loss i.e. less than current market value.

3.9.22 All other current expenses n.e.s. (excluding depreciation)

These are all other miscellaneous expenses. As far as possible, please specify items.

SECTION 3A - DEPRECIATION

Depreciation is the provision made for loss or wear & tear incurred through using the asset for the purpose of earning profits.

Enter the depreciation for all fixed assets owned by the establishment for the reference period.

Amortization - The provision made for the write-off of intangible assets e.g. Goodwill.

SECTION 4 – SALES AND OTHER RECEIPTS

Item 4.1 Value of goods produced/assembled by this establishment and sold during the period.

Total value of goods produced/assembled by establishment during the reference period *whether payments have been actually made within the reference period or not.*

Goods sold in the previous period should not be recorded here even if payment was received during the reference period. Give actual values received or receivable.

Exclude discounts and the value of all goods returned during the year. Also exclude any taxes collected on behalf of the government. Include transportation for delivery only if these transportation charges are included in your operating expenses. **(Section 3).**

If your establishment produces goods for transfer to another establishment of your own firm, not covered by this return, treat these goods as sales i.e. assign a value to them on the basis of cost of material, labour, overheads and an expected margin of profit.

Item 4.2 Value of services provided by this establishment during the period

This line applies to firms engaged in the provision of services.

Item 4.3 Total receipts from sale of goods purchased and resold in the same condition as purchased (wholesale or retail)

This line applies to establishments whose major activity is 'Distribution'.

Item 4.4 Value charged for services on contract work

This is the value charged for services rendered during the reference period whether or not payment is received within this period.

Item 4.5 Rental and/or lease of machinery and equipment

This includes for e.g. forklift, photocopier, backhoe etc.

Item 4.6 Rental/lease of buildings/lands:

This is sub-divided into (4.6.1) and (4.6.2).

4.6.1 Rental/lease of lands for agriculture, forestry, mining

4.6.2 Rental/lease of buildings/office space and other lands

Item 4.7 Subsidies

Subsidies are normally granted from Government. It is given to a producer or trader for the reduction in price charged by that producer or trader for the good/service provided.

Item 4.8 Revenue from Agency Operations

An example of this can be income received from a Lotto Agency associated with National Lottery Board.

Item 4.9 Interest received

This would be monies derived from investments. e.g. Unit Trust Corporation, fixed deposit with banks etc.

Item 4.10 Dividends received

Income received from another company's profit.

Item 4.11 Patents, copyrights, franchise, licences, royalties

Income received from the firm, if it has patents, copyrights, franchise, licences, royalties on goods & services it provides.

Item 4.12 Management and consultant fees

Income received by the firm for the provision of management and consultant advice.

Item 4.13 Other receipts and extraordinary items

Enter income received from all other sources not specified in 4.1 – 4.12. Do not include proceeds from sale of used assets of land (See Section 6).

4.13.1 Gain on foreign exchange transactions

This is money **gained** through foreign exchange transactions. For e.g. goods purchased at a lower exchange rate followed by an appreciation of the same exchange rate. This can occur with goods purchased in U.S dollars or any other foreign currency.

4.13.2 Gain on disposal of fixed assets

The sale of fixed assets at a **gain**. (more than current market value)

4.13.3 Insurance claims received

Refers to non-life insurance on vehicles, machinery and building.

4.13.4 Any other receipts n.e.s

This refers to other receipts that cannot be classified in 4.13. Please specify the exact nature of the item.

SECTION 5 – INVENTORIES

Show the book value for each of the items in this Section and describe **the basis of valuation for each item**. Include both **opening** and **closing** inventories for each item.

Distribute all inventories according to their major components i.e. amongst items **5.1 to 5.5**.

Item 5.1 Raw materials, supplies and components

These are tangible goods purchased/obtained and on hand principally for direct use in the manufacture of goods for resale. No additional work has been done. Raw Materials are an integral part of the completed product.

Item 5.2 Goods purchased for resale

Goods on hand are purchased by a trading concern for resale. The physical form of the goods is not altered prior to resale.

Item 5.3 Work-in-progress

These goods are partly processed and require further processing before sale. The cost of such goods includes: direct material, direct labour and allocated manufacturing overheads.

Item 5.4 Finished goods of own production

The manufactured article that has been completed and held for sale. The cost of these units includes all costs related to their manufacture.

Item 5.5 Other

Any other inventory that the business has **OR** any inventory that cannot be included in Items 5.1 to 5.4 above must be included here.

Please describe basis of valuation for each item of inventory.

Examples of valuation of inventories can be: LIFO method, FIFO method, Average Cost Method etc.

SECTION 6 – CAPITAL ACCOUNT

The purpose of this section is to obtain information on the establishment's capital expenditure during the reference period under review.

A. CAPITAL EXPENDITURE

Items 6.1 to 6.4 are concerned with expenditure during the survey year on new fixed assets, such as building, plant, machinery, vehicles, furniture & equipment and information technology and alterations, renovations & improvements of the same.

(Expenditure on items included in this Section should not be included in Section 3). Acquisition of Used Assets (including Building and Plants) should be included under **OTHER CAPITAL Items** in Question 6.5.

B. Other Capital Items

6.5.1 Acquisition of Used Assets (including Building and Plants) – enter the cost of the used assets only.

Installation costs should be entered under Section 6.2 according to type of asset acquired.

6.5.2 Less receipts from Sales of Used Assets – show amount actually received excluding discounts.

Valuation - The value of fixed assets acquired should include all costs actually incurred in their acquisition and installation. Include not only the purchase price of the fixed assets but also such expenses as transportation, brokerage, installation, engineering, architects, indirect taxes and other transfer costs – conveyancing, valuation and surveying.

Definitions

New Assets - An item is defined as new if it was never used before in Trinidad & Tobago. Therefore machinery imported into the country is considered **new** whether or not it was previously used in a foreign country.

Alterations, Renovations and Improvements - These should be included in the stock of capital in the appropriate heading. Examples are: complete replacement of roofs, adding walls or stairs, elevator shafts or stair wells, lighting or air-conditioning systems, windows, and partitions.

In general, repairs should only be capitalized if they extend the life expectancy of the asset or other services provided by the asset.

On this basis, expenditure on replacing major parts of buildings and other structures should be included as capital expenditure. Expenditure for redecorating, painting etc. should be excluded. These minor repairs are to be reported in item **3.9.12**. (Maintenance and Repairs)

SECTION 8 – DIVIDENDS

Enter the value of dividends paid to shareholders.

SECTION 9 – ASSETS AND LIABILITIES

Assets and Liabilities may be described as a statement of affairs for a business, at a given point in time. It shows the value of assets and liabilities and the owners' equity on any particular day. E.g. As at 31st March 200?. It is also referred to as the 'Balance sheet'.

Period

Two figures are to be given for each item in the balance sheet. One relates to the beginning of the period and the next figure relates to the end of the period. These two periods should be the same as the reference period (Item 1.5) stated on the front page of the questionnaire. For example;

If the Reference period for data supplied in a return is August 1st 2003 to July 31st 2004, then this would be reflected in the Balance sheet as:

Opening figure - *As at the beginning of Aug 1st 2003*

Closing figure - *As at the end of July 31st 2004*

ASSETS

Fixed assets are those properties/assets/rights, which are acquired for continuous use in the business. They are retained more or less permanently and are not for sale.

Assets are divided into **Non-Current** and **Current**;

9.1.1 Non-Current Assets

These are sub-divided into: **9.1.1.1 to 9.1.1.9**

9.1.1.1 Land and buildings

In terms of accounting, it is the value of real estate less the value of improvements, e.g. buildings.

9.1.1.2 Plant, machinery and equipment

These are physical assets applicable to manufacturing activities.

9.1.1.3 Vehicles and other transport equipment

9.1.1.4 Furniture and office equipment

9.1.1.5 Computer equipment

9.1.1.6 Long term investment

The values for these items represent the purchase of real property, stocks, bonds, collectible annuities, mutual fund shares etc. with the expectation of realizing income or capital gain, or both, in the future. Long term is regarded as being in excess of 12 months.

9.1.1.7 Loan to subsidiaries

Definition: Subsidiary is a company whose voting stock is more than 50% owned by another company.

In International Accounting Standard (IAS) 3, a 'subsidiary' is a 'company which is controlled by another company (known as the parent company) where 'control' of a company means ownership, directly or indirectly through subsidiaries, of more than one half of the voting power of the company.

9.1.1.8 Research and development

Research is defined as a planned activity aimed at discovering new knowledge with the hope of developing new or improved products & services. Development is the translation of the research findings into a plan or design of new or improved products and services.

9.1.1.9 Other non-current assets

Includes everything not included under **9.1.1.1 to 9.1.1.8**.

9.1.2 Current Assets

Those assets of a company that are reasonably expected to be realized in cash, or sold, or consumed during the normal operating cycle of the business (usually one year).

Such assets include cash, accounts receivable, short-term investments, inventories, and prepaid expenses.

These can be sub-divided into: **9.1.2.1 to 9.1.2.8**

9.1.2.1 Cash /Cash in Hand and Bank

Cash is money, in the form of notes and coins, which constitutes payment for goods at the time of payment.

Cash in Hand literally means coins, currency and cash items on hand. It is not possible to have negative cash items on hand. Cash in Bank literally means coin, currency and cash items on deposit.

9.1.2.2 Trade receivables/ Accounts receivables

Accounts receivables represent money due for services performed or merchandise sold on credit. Trade receivables are all accounts from trade, net of allowance for doubtful debts.

9.1.2.3 Inventories

Merchandise bought for resale or supplies and raw materials purchased for use in revenue producing operations.

9.1.2.4 Other receivables and prepayments

Prepayment is the payment of all or part of a debt prior to its due date. Other receivables refer to other amounts awaiting receipt of payment.

9.1.2.5 Taxation recoverable

Some financial statements may have VAT returns received from the BIR - VAT Administration Centre indicated separately.

9.1.2.6 Investments

Investments are purchases of real property, stocks, bonds, collectible annuities, mutual fund shares with the expectation of realizing income or capital gain, or both, in the future.

9.1.2.7 Dues from subsidiaries and related parties

This is money received from a parent subsidiary company.

9.1.2.8 Other current assets

Includes all current assets not in items **9.1.2.1 to 9.1.2.7**.

9.1 Total Assets = Non-Current Assets + Current Assets

EQUITY

Under **Capital & Reserves**, the following items **9.2.1 to 9.2.5** are identified in the questionnaire.

9.2.1 Issued Share Capital

This is also known as the 'Allotted Share Capital'. The issued share capital of a registered company is the total nominal value of all the shares in a company that have been allotted.

9.2.2 Capital reserves

This is a fund set aside for specific purposes and thereby it cannot be distributed for other uses. It may consist of such items as premiums on the issue of share, profits or re-issue of forfeited shares etc.

9.2.3 Retained earnings

These are profits of the business that have not been paid out to the owners as of the balance sheet date. These earnings have been 'retained' for use in the business.

It comprises the balance, either debit or credit, of appropriated or unappropriated earnings of an entity that are retained in the business. NOTE: appropriated earnings are not available for dividends, but may be used to reduce a deficit or may be transferred to stated capital. Other appropriations of profits require a vote of the shareholders.

9.2.4 Director's drawings

A decrease in owner's equity resulting from a personal withdrawal of funds or other assets by the owner.

9.2.5 Proposed dividends

An amount of earnings declared by the Board of Directors for distribution to the shareholders of a corporation.

9.2 Total Equity

This reflects total investment in the business by the owners, plus accumulated net profits of the business that have not been paid out to the owners. It reflects the net worth of the company.

LIABILITIES

9.3.1 Non - Current Liabilities

These are financial obligations of a company which are due in more than one year. These can be sub-divided into: 9.3.1.1 to 9.3.1.3.

9.3.1.1 Long term portion of Loan/Borrowings

The repayment of this loan would start after 12 months but there is no fixed period for it to be paid off.

9.3.1.2 Director's Loan

This is an agreement under which an owner of assets (the lender) allows the Director (the borrower) to use the assets for a specified time period. In return, the Director agrees to pay the lender a payment (interest) and return the assets (cash) at the end of the agreed upon time period.

9.3.1.3 Other non-current liabilities

Includes non-current liabilities not accounted for in items 9.3.1.1 to 9.3.1.2.

9.3.2 Current Liabilities

These are liabilities to be repaid within one year of the balance sheet date. These are sub-divided into: 9.3.2.1 to 9.3.2.7

9.3.2.1 Bank overdraft and short term loans

Bank overdraft is a facility enabling an account holder to borrow up to an agreed amount and often for an agreed time. Short term loans are usually to be repaid in 12 months or less.

9.3.2.2 Accounts payable / Trade creditors

Accounts Payable are trade accounts of businesses representing obligations to pay for goods and services received. Trade Creditors represent amounts of money owed to suppliers who have sold goods/services to the company.

9.3.2.3 Taxation payable / Provision for taxation

This item reports on the amount of taxes that a company owes as of the balance sheet date.

9.3.2.4 Current portion of long term Loan/ Borrowings

This loan has to be repaid within a fixed time frame. Long term loans are usually repaid in 1 year or more.

9.3.2.5 Due to subsidiaries and related parties

This item refers to money paid to a parent subsidiary company.

9.3.2.6 Dividends payable

This item is that portion of a corporation's earnings which is paid to stockholders.

9.3.2.7 Other current liabilities

Includes all current liabilities not included in items 9.3.2.1 to 9.3.2.6

9.3 Total Liabilities = Non-Current Liabilities + Current Liabilities

9.4 Total Equity & Liabilities

The Query Sheet is for use by CSO office only.

Each respondent or the person who completes the questionnaire is required to affix his/her signature before submission to the CSO. In addition, Name in BLOCK LETTERS, Position of Respondent and Date Completed should also be submitted.

Remarks section of the questionnaire can be used to:

1. indicate whether the information supplied was taken from the sole trader's personal books **OR** to provide additional explanations on data provided on the form.
2. any other information the firm wishes to inform CSO with respect to data supplied on the questionnaire.

If you require advice or assistance with regards to completing this questionnaire, please contact the BUSINESS SURVEYS SECTION at 623-5117 exts 4414-4423.