

STATEMENT OF INCOME AND EXPENSES FROM A BUSINESS

Management Bodies are required under the *Alberta Housing Act* to verify income for both applicants and present tenants for the purpose of establishing eligibility and determining the basic rent. Information is protected by the privacy provisions of the *Freedom of Information and Protection of Privacy Act*.

Questions regarding the collection of personal information may be directed to your Lease Administration Clerk at the address and telephone number listed above. **Please ensure receipts are attached to verify income and expenses.**

Business Name Type of Business

Business Address Business Phone Number

From _____, 20____, to _____, 20____.
(First day of reported month) (Last day of reported month)

INCOME

SALES/GROSS INCOME _____
 Did you collect GST on your sales [] Yes [] No
 Less: GST if included in sales (_____)
 Customer Refunds (_____)
 Other Income - Please Specify _____
 Gross Income _____

COST OF GOODS SOLD:

Inventory at beginning of period _____
 Add: Purchases (Including Freight Delivery) . . . _____
 Less: Inventory at the end of Period _____

COST OF GOODS SOLD _____

GROSS PROFIT _____

EXPENSES

Accounting and Legal _____
 Advertising _____
 Business tax, fees, licences, dues _____
 Insurance _____
 Interest, Bank Charges _____
 Equipment Maintenance and Repairs _____
 Meals and Entertainment _____
 Motor Vehicle Expenses _____
 Office _____
 Salaries _____
 Miscellaneous - Please Specify _____

PAGE 2

TOTAL EXPENSES BEFORE ADJUSTMENTS _____

ADJUSTMENTS

| | |
|---|-----------|
| Less: GST if included in expenses and are collecting GST | (_____) |
| Personal Use of expenses claimed | (_____) |
| Add: Salary paid to self if included in salary expense above | _____ |
| Personal use of saleable products | _____ |

NET INCOME _____

I declare the information contained on this form to be true, correct and complete. I understand there may be legal penalties for making a false, misleading or incomplete statement to Capital Region Housing.

Name _____

T-Code _____

Date Completed _____

Address _____

Telephone _____

Tenant Signature _____

GLOSSARY OF TERMS

INVENTORY AT BEGINNING OF PERIOD

- This is the same figure as Inventory at the end of period from your previous month's statement.

INVENTORY AT THE END OF PERIOD

- This figure is to be carried forward to the Inventory at beginning of period on your next month's statement.

ACCOUNTING AND LEGAL FEES

- Fees paid to accounting firms for statement preparation and income tax refunds relating to the business. Amounts paid to lawyers for legal matters relating to the operation of the business.

ADVERTISING

- Business advertising costs.

BUSINESS TAX, FEES AND BUSINESS LICENCES

- Fees paid to obtain business licences, amounts paid to keep your membership in a trade association etc.

INSURANCE

- Liability insurance and property insurance on business property outside the home you live in relating to the operation of the business.

INTEREST, BANK CHARGES

- Bank account fees and interest paid on loans that relate to the operation of the business. Please note that the interest on a loan is deductible; the principal portion of a loan repayment is not deductible.

EQUIPMENT MAINTENANCE AND REPAIRS

- Tool and equipment repair expenses on equipment used by the business to earn income.

MEALS AND ENTERTAINMENT

- Entertainment expenses that relate to the operation of the business.

VEHICLE EXPENSES AND MAINTENANCE

- Costs to maintain business vehicles, includes gas, oil, insurance, registration and vehicle repair costs, less 30% personal use. Please note: enter 70%.

OFFICE

- Materials and supplies used in the day to day operations of the office examples would be pens, file folders, printed matter and other miscellaneous items. Other items would include postage costs, and business telephone costs. May also include rent and other costs on property relating to the business location outside of the home you live in. *Please note, rent and utility costs for the business use of a work space in your home are not considered a deductible expense for rent calculation purposes.*

SALARIES

- Salaries, wages, bonuses, commissions for all employees other than self, partners or spouse. Also includes employers contributions for UIC, CPP, WCB etc.

MISCELLANEOUS

- If there are other items not mentioned above. Please specify.
- Capital Cost Allowance or depreciation is not considered an expense for rent calculation purposes.
- Includes such items as fees paid to collection agencies and any small claims court cost fees resulting from efforts made to collect receivables or amounts uncollectible on accounts which have been already included in income.

GST

- Persons earning less than \$30,000 per year may decide whether or not they collect GST. If they collect GST, they can deduct input tax credits from GST collected and therefore cannot claim GST as a business expense. If they do not collect GST, they cannot claim what they paid out as input tax credits but they can claim GST as a business expense.