



End of Financial Year

EOFY Checklist for Dairy Farmers

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**Steady
Path**
ADVISORY

How to use this checklist

Work through each section and tick Yes or N/A, then add any notes in the Comments column. The **i** notes explain what to do or watch out for. The **💡** boxes are tax planning insights worth raising with your accountant.

If you are on a cloud accounting system such as Xero (with Figured), Farm Focus and your records are up to date, you may not need to provide much of this information separately your accountant can access it directly. However, some items must always be provided regardless, and these are highlighted throughout.

1. Tax Planning

These are conversations to have when you meet with your accountant. Raising these early gives you more options.

Income Equalisation

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <p>Ask: Was this a higher income year than usual? Should I make an income equalisation deposit to reduce this year's tax?</p> <p>i Deposits earn 3% interest if held more than 12 months. The main downside is loss of access to that cash while on deposit.</p> |
| <input type="checkbox"/> | <p>Ask: Do I have an existing deposit and should I withdraw it this year?</p> <p>i A refund cannot be taxed at a higher rate than the year the deposit was made.</p> |

💡 It is still possible to make an income equalisation deposit after balance date - typically up to one month after the date your tax return is due to be filed. Your accountant can confirm the deadline.

Tax Pooling

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <p>Ask: Could tax pooling help with my provisional tax situation this year?</p> <p>i Tax pooling offers flexibility depending on your situation: spread a payment over time (Pay in Instalments), delay a payment while keeping cash in the business (Pay Later), reduce interest on a missed payment (Pay Now), or backdate a payment when income arrived later than expected. NZ providers include Tax Traders (taxtraders.co.nz), TMNZ and Taxi (gotaxi.co.nz).</p> |
|--------------------------|---|

💡 Tax pooling is not just for shortfalls. It can also help if you need the cash for operations, have a timing mismatch, or want more flexibility than IRD's fixed provisional tax dates.

Business Structure

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <p>Ask: Is my current structure (sole trader, company, trust, partnership) still the right fit?</p> <p>i Trust tax rates changed recently and shareholder salary levels and distribution arrangements may need a review.</p> |
| <input type="checkbox"/> | <p>Ask: Are there any other tax planning opportunities I should be aware of for this year?</p> |

2. Milk Income

Milk Payments - All Dairy Operators	
<input type="checkbox"/>	<p>Milk payment statements for the full season from your processor (Fonterra / Open Country / Synlait / other)</p> <p><i>i</i> These confirm all advance payments received throughout the year.</p>
<p><i>💡</i> If your accountant has access to your Farm Source login (or equivalent portal) they may be able to obtain your milk statements directly. Check with them whether this is already set up.</p>	
<input type="checkbox"/>	<p>June payment statement (May balance date farmers) - always required</p> <p><i>i</i> Milk supplied in May but paid in June must be included as income in your May accounts. Your accountant needs this even if they have Farm Source access.</p>
<p><i>💡</i> Retrospective payments paid later in the season are generally treated as uncertain at balance date and recognised in the following year on a cash basis. Your accountant will confirm the correct treatment.</p>	
<input type="checkbox"/>	<p>Details of any Guaranteed Milk Price contract entered into this season</p> <p><i>i</i> If you locked in a price, that confirmed income is recognised at balance date. Provide a copy of the contract or confirmation.</p>
<input type="checkbox"/>	<p>Details of any Milk Price Futures or Options contracts</p> <p><i>i</i> These affect the income figure recognised at balance date. Provide contract details and any statements from your broker or processor.</p>
<p><i>💡</i> Futures contracts come in lots of 6,000 kg milk solids. If you hold 10 contracts at \$9/kg MS and your advance rate was \$8/kg MS, there is an additional \$60,000 of income to accrue, less any variation margin deduction. A put option sets a price floor; a call option sets a ceiling. Talk to your accountant about the net position at balance date.</p>	
<input type="checkbox"/>	<p>Milk taken for own use during the year</p> <p><i>i</i> Provide quantity and estimated value excluding GST. Note whether GST inclusive or exclusive.</p>
Comments:	

Fonterra Shares and Dividends - Fonterra Suppliers	
<input type="checkbox"/>	<p>All Fonterra dividend statements for the year - always required</p> <p><i>i</i> There are typically several payments: an interim dividend mid-season, a September or October payment, and the April 2026 capital return. Provide all statements.</p>
<input type="checkbox"/>	<p>Other share or investment certificates (non-Fonterra)</p> <p><i>i</i> Interest certificates, term deposit statements, any other dividend payments received.</p>
<input type="checkbox"/>	<p>Fonterra share holding confirmation at balance date</p>
<p><i>💡</i> The April 2026 Fonterra capital return (\$2 per share) has a specific tax treatment depending on your individual situation. If the funds were received into a company, talk to your accountant before distributing them to shareholders.</p>	
Comments:	

3. Livestock

Livestock Records - All Dairy Operators			
<input type="checkbox"/>	MINDA or myHerd livestock report for the year (preferred) <i>i</i> MINDA report is a "Herd Summary". Run this after all movements up to balance date have been entered and accepted. If movements are not processed before running the report the numbers will not be correct.		
<input type="checkbox"/>	If not using MINDA or myHerd: closing livestock count by class and age at balance date		
Quantity	Class	Quantity	Class
	Mixed Aged Cows		Breeding Bulls
	Rising 2 year heifers		Rising 2 year bulls or steers
	Rising 1 year heifers		Rising 1 year bulls or steers
	Replacement Heifers born		Non-replacement calves born
	Deaths/Missing		Taken for own use
	Peak cow numbers milked during the season <i>i</i> Used to verify income and cost split calculations for sharemilkers and contract milkers, and as a cross-check on production figures for all farms.		
	Effective hectares for the season		
<i>📌</i> If livestock were sold in the days immediately before balance date, make sure those animals are recorded as a sale and NOT included in your closing count.			
Comments:			

4. Bank Accounts and Loans

Bank Accounts and Loans	
<input type="checkbox"/>	Final bank statements for all accounts at or spanning balance date - always required <i>i</i> All accounts: trading, savings, call accounts and term deposits. Required even if you use Xero with bank feeds.
<input type="checkbox"/>	Petty cash on hand at balance date
<input type="checkbox"/>	Any cash income received but not yet banked at balance date <i>i</i> Include amount and details of what it relates to.
<i>📌</i> If using cloud accounting: make sure all transactions are reconciled through to balance date before your accountant starts on your accounts.	
<input type="checkbox"/>	Loan statements for all farm borrowings for the full year to balance date - always required <i>i</i> All bank loans and any other borrowings. Include interest rates and any maturity dates.

<input type="checkbox"/>	Details of any loans refinanced, repaid or newly drawn down during the year
<input type="checkbox"/>	Hire purchase and equipment finance documentation for anything new this year
<input type="checkbox"/>	Lease agreements for non-building assets (vehicles, equipment) entered into during the year
Comments:	

5. Wages, Payroll and FBT

Payroll and FBT	
<input type="checkbox"/>	Payroll records for the full year (monthly summaries or IR348 schedules) <i>i</i> If you use a payroll system, give your accountant access or provide an export. They will not always have direct access to your payroll software.
<input type="checkbox"/>	Annual leave liability at balance date <i>i</i> The dollar value of accrued but unpaid leave is a creditor in your accounts.
<input type="checkbox"/>	Details of any staff accommodation provided on the farm (board or rent deducted from wages)
<input type="checkbox"/>	Bonus payments made or committed to at balance date <i>i</i> Bonuses must be definitively committed to before balance date AND paid within 63 days to be deductible in the current year.
<input type="checkbox"/>	Details of any contractor payments where withholding tax was deducted
<input type="checkbox"/>	FBT returns and workpapers for the year (if applicable) <i>i</i> FBT applies where vehicles or other benefits are available for private use by employees or shareholder-employees.
<i>i</i> Shareholder salary: if you operate through a company, your accountant will generally set an appropriate shareholder salary as part of preparing your accounts. The salary must reflect market value for work actually performed.	
Comments:	

6. Capital Expenditure and Assets

Assets Purchased, Sold or Disposed Of - always required	
<input type="checkbox"/>	All assets purchased during the year: plant, equipment, vehicles, dairy equipment, irrigation <i>i</i> Provide tax invoices, hire purchase agreements or lease documents. Note whether each asset was available for use by balance date.
<input type="checkbox"/>	New buildings or major structures completed (dairy shed, implement shed, effluent system) <i>i</i> An immediate 20% Investment Boost deduction may be available on the full build cost for assets first available for use on or after 22 May 2025.

<input type="checkbox"/>	New farm tracks, drainage or land development completed <i>[i]</i> Investment Boost may apply to costs incurred on or after 22 May 2025.
<input type="checkbox"/>	Assets sold, traded in, scrapped or written off during the year
<input type="checkbox"/>	Any hire purchase, finance lease or loan taken out for new equipment
<input type="checkbox"/>	Review last year's asset schedule and mark any items no longer owned or in use <i>[i]</i> Assets that are no longer used cannot be depreciated. Let your accountant know so these can be removed.
<p><i>[i]</i> Investment Boost (from 22 May 2025): an immediate 20% deduction is available on new depreciable assets in the year they are first available for use. This is an election - ask your accountant whether it applies to your purchases.</p>	
Comments:	

7. Repairs and Maintenance

Repairs and Maintenance	
<input type="checkbox"/>	Invoices for repairs and maintenance over \$1,000 not already in your accounting software <i>[i]</i> If invoices are already coded in your accounting system, your accountant can access them directly.
<input type="checkbox"/>	Details of any significant building, track, lane or infrastructure work carried out <i>[i]</i> If you are not sure whether work is a repair or a capital improvement, provide the details and let your accountant make that call.
<input type="checkbox"/>	Dairy shed plant repairs or part replacements
<p><i>[i]</i> Work that restores an asset to its original condition is generally a repair and deductible. Work that improves or substantially renews it may be capital. When in doubt, provide the invoice and let your accountant decide.</p>	
Comments:	

8. Consumables and Prepayments

Provide the estimated cost excluding GST of any of the following purchased items on hand at balance date.

Item	Estimated value (excl. GST)
Purchased stock feed on hand: hay, silage, maize silage, grain, palm kernel	\$
Fertiliser purchased but not yet applied (must be physically on farm at balance date)	\$
Animal health products on hand (drench, vaccines, teat spray, mastitis treatments)	\$
Dairy shed supplies on hand (cleaning products, liners, etc.)	\$
Fencing materials, water pipes and other farm supplies on hand	\$

Petrol, diesel and oil stocks	\$
Total	\$

💡 If total purchased consumables on hand exceed \$58,000 at balance date, the excess must be added back as income. This threshold has not been updated in over 20 years and is easily reached on a dairy farm. Home-grown hay and silage are not included.

Prepaid Expenses	
<input type="checkbox"/>	Subscriptions prepaid: herd improvement, industry memberships, software <i>📌 If you have a wearable technology contract (e.g. cow collars), send in a copy of your invoice or agreement so your accountant can determine the correct treatment.</i>
<i>💡 Some expenses paid before balance date are still deductible even if the goods or services have not yet been received. Your accountant will identify which ones qualify.</i>	
Comments:	

9. Farmhouse

Farmhouse Expenditure	
<input type="checkbox"/>	Farmhouse rates, insurance and general maintenance invoices <i>📌 If already in your accounting system, your accountant can access these directly.</i>
<input type="checkbox"/>	Farmhouse mortgage interest for the year <i>📌 Generally 100% deductible for most dairy farms.</i>
<input type="checkbox"/>	Telephone and internet costs <i>📌 Generally 100% deductible on a dairy farm.</i>
<input type="checkbox"/>	Details of any staff accommodation provided on the farm and on what terms
<i>💡 Most dairy farms qualify as Type 1 farmhouses (where the farmhouse value is less than 20% of the total farm value). A flat 20% deduction applies to general farmhouse expenses without needing to prove actual use.</i>	
Comments:	

10. Debtors and Creditors

Money Owed To You and Money You Owe	
<input type="checkbox"/>	All amounts owed to you at balance date (debtors) <i>[i]</i> For May balance date farmers: the Fonterra June payment is a debtor. Write off any genuine bad debts before balance date to claim the deduction.
<input type="checkbox"/>	All amounts owed by you at balance date (creditors) <i>[i]</i> Creditor name, amount and what it is for. If these are in your accounting system, your accountant may be able to access them directly.
<i>[i]</i> Holiday pay or bonuses committed to before balance date and paid within 63 days may also be included as a creditor.	
Comments:	

11. Land, Legal and Other

Land, Legal and Other Items	
<input type="checkbox"/>	Details of any land purchased or sold during the year
<input type="checkbox"/>	Sale and Purchase Agreements for any property transactions - always required
<input type="checkbox"/>	Land development or improvement expenditure (clearing, drainage, new irrigation, fencing on bare land) <i>[i]</i> Provide details so your accountant can determine the correct treatment.
<input type="checkbox"/>	ETS (Emissions Trading Scheme) units held and any transactions during the year
<input type="checkbox"/>	Effective hectares changes: conversions, new leases, surrendered leases
<input type="checkbox"/>	Lease agreements for any land or buildings leased in or out
<input type="checkbox"/>	Insurance premiums and legal fee invoices for the year
<input type="checkbox"/>	Any legal disputes, settlements or unusual transactions during the year
<input type="checkbox"/>	Details of any shares, term deposits or other investments held at balance date
<input type="checkbox"/>	Cryptoassets received or traded during the year <i>[i]</i> Provide transaction records: date, type, units and NZD value.
Comments:	

12. Sharemilkers and Contract Milkers

📌 These items are in addition to all sections above. Farm owners can skip this section.

Sharemilkers - Variable Order and Lower Order

<input type="checkbox"/>	Copy of your sharemilking agreement <i>[i] The agreement sets out your income percentage and which costs you are responsible for.</i>
<input type="checkbox"/>	Your percentage share of milk income as per the agreement
<input type="checkbox"/>	Livestock ownership records and any changes during the year (variable order sharemilkers) <i>[i] Variable order sharemilkers own the herd. MINDA or myHerd access or a livestock report is ideal.</i>
<input type="checkbox"/>	All livestock purchased or sold during the year (your share)
<input type="checkbox"/>	All invoices for costs you are responsible for under the agreement

📌 Peak cow numbers and effective milking hectares are used to verify that the income and cost splits in your accounts match what was agreed in your contract.

Contract Milkers

<input type="checkbox"/>	Copy of your contract milking agreement <i>[i] Your agreement sets out your payment rate and which costs you bear.</i>
<input type="checkbox"/>	Total contract payments received during the year
<input type="checkbox"/>	All invoices for costs you are responsible for under the contract
<input type="checkbox"/>	Details of any equipment or vehicles provided as part of the contract arrangement

📌 Peak cow numbers are used to verify that the contract payment received ties correctly to the agreed rate, whether per cow, per kg MS, or another basis.

Comments:

13. Additional Comments

Is there anything else you would like your accountant to know? Use this space for anything unusual, any questions, or anything that does not fit neatly into the sections above.



Ready to get your year-end sorted?

I'm Merryn Telfer, a Chartered Accountant based in the Waikato. I work specifically with farmers and rural businesses, it's what I know and what I love.

If working through this checklist has raised questions, or you'd just like a fresh set of eyes on where things sit, I'd love to have a no-obligation chat.

Getting the numbers right so you can focus on the farm that's what I'm here for.

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This checklist is general guidance only and does not constitute financial or taxation advice. Individual circumstances vary. Please discuss your specific situation with a qualified accountant before making any tax decisions.