

Report of Independent Auditors on Supplementary Information

To [Addressee]

We have audited the financial statements of [name of client] as of and for the year ended [date], and have issued our report thereon dated [date of our report on the financial statements], which contained an unmodified opinion on those financial statements. Our audit of the financial statements was performed for the purpose of forming an opinion on the financial statements taken as a whole. Supplemental schedules __ - __, __ - __, __ and __, and the information contained therein, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Commonwealth of Puerto Rico as set forth in Administrative Determination 14-06. These supplemental schedules and related information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information in schedules __ - __, __ - __, __ and __, excluding the information marked "unaudited," has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information in schedules __ - __, __ - __, __ and __, excluding the information marked "unaudited," is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The information that has been marked "unaudited" in schedules __ - __, __ - __, __ and __, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As discussed in Administrative Determination 14-06, we are not required to determine that certain information in schedules __ - __, __ - __, __ and __, was carried out in accordance with the Puerto Rico Internal Revenue Code of 2011, as amended.

This report is intended solely for the information and use of [the Board of Directors and management] of [name of client] and the agencies of the Commonwealth of Puerto Rico responsible for the administration of the municipal license tax, property tax or income tax and is not intended to be and should not be used by anyone other than these specified parties.

[(signed)]

[City, State]

[Date]

Any Reporting Entity

Supplementary Information
December 31, 20X3

Schedule 1 Total gross revenues from sales, services or other activities

<u>Description</u>	<u>Amount</u>
Total gross revenue earned on services, sales or other activity	<u>\$ XXX</u>

Schedule 2 Detail of items comprising other income

<u>Description</u>	<u>Amount</u>
Income A	\$ XXX
Income B	XXX
Income C	<u>XXX</u>
Total	<u>\$ XXX</u>

Schedule 3 Total sales returns (sales returns)

<u>Description</u>	<u>Amount</u>
Total sales returns	<u>\$ XXX</u>

Schedule 4 Volume of gasoline sold (in gallons)

<u>Description</u>	<u>Amount</u>
Volume of gasoline sold (in gallons)	<u>\$ XXX</u>

Schedule 5 Summary of income from exempt and taxable operations

<u>Description</u>	<u>Decree No.</u>	<u>Amount</u>
Exempt income		\$ XXX
Exempt income		XXX
Taxable income	N/A	<u>XXX</u>
Total		<u>\$ XXX</u>

If there is more than one tax decree, segregate income by tax grant

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Schedule 6 **Monthly inventory balance for the year under audit**

Description	Exempt Operations	Exonerated Operations	Taxable Operations	Total Inventory Balances
Month 1	\$ XXX	\$ XXX	\$ XXX	\$ XXX
Month 2	XXX	XXX	XXX	XXX
Month 3	XXX	XXX	XXX	XXX
Month 4	XXX	XXX	XXX	XXX
Month 5	XXX	XXX	XXX	XXX
Month 6	XXX	XXX	XXX	XXX
Month 7	XXX	XXX	XXX	XXX
Month 8	XXX	XXX	XXX	XXX
Month 9	XXX	XXX	XXX	XXX
Month 10	XXX	XXX	XXX	XXX
Month 11	XXX	XXX	XXX	XXX
Month 12	XXX	XXX	XXX	XXX

Method used for monthly balances of inventory:

- Perpetual Inventory
 Gross Profit Method

Schedule 7 **Monthly inventory reserve balance for the year under audit**

Description	Exempt Operations	Exonerated Operations	Taxable Operations	Total Reserve Balances
Month 1	\$ XXX	\$ XXX	\$ XXX	\$ XXX
Month 2	XXX	XXX	XXX	XXX
Month 3	XXX	XXX	XXX	XXX
Month 4	XXX	XXX	XXX	XXX
Month 5	XXX	XXX	XXX	XXX
Month 6	XXX	XXX	XXX	XXX
Month 7	XXX	XXX	XXX	XXX
Month 8	XXX	XXX	XXX	XXX
Month 9	XXX	XXX	XXX	XXX
Month 10	XXX	XXX	XXX	XXX
Month 11	XXX	XXX	XXX	XXX
Month 12	XXX	XXX	XXX	XXX

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Schedule 8 Cash at December 31, credited on January 1 and deposited before that date

<u>Description from Taxable Operations</u>	<u>Amount</u>
Cash on hand as of December 31	\$ XXX
Cash deposited (excluding checks and credit cards slips) credited after January 1, and deposited on or before December 31	<u>XXX</u>
Total Cash	<u>\$ XXX</u>
<u>Description from Exempt Operations</u>	<u>Amount</u>
Cash at December 31	\$ XXX
Cash deposited (excluding checks and credit cards slips) after January 1, and deposited on or before December 31	<u>XXX</u>
Total Cash	<u>\$ XXX</u>

Schedule 9 Assets used in tax exempt operations and assets used on taxable operations at December 31st

<u>Description</u>	<u>Book Value From Exempt Operations</u>	<u>Book Value From Exonerated Operations</u>	<u>Book Value From Taxable Operations</u>	<u>Total</u>
Investments	\$ XXX	\$ XXX	\$ XXX	\$ XXX
Materials & Supplies	XXX	XXX	XXX	XXX
Machinery & Equipment	XXX	XXX	XXX	XXX
Improvements	XXX	XXX	XXX	XXX
Any other Personal Property (do not include cash or inventory)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>
Total	<u>\$ XXX</u>	<u>\$ XXX</u>	<u>\$ XXX</u>	<u>\$ XXX</u>

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Schedule 10 Monthly inventory adjustments (reserves)

Description	Exempt Operations	Exonerated Operations	Taxable Operations	Total
Month 1	\$ XXX	\$ XXX	\$ XXX	\$ XXX
Month 2	XXX	XXX	XXX	XXX
Month 3	XXX	XXX	XXX	XXX
Month 4	XXX	XXX	XXX	XXX
Month 5	XXX	XXX	XXX	XXX
Month 6	XXX	XXX	XXX	XXX
Month 7	XXX	XXX	XXX	XXX
Month 8	XXX	XXX	XXX	XXX
Month 9	XXX	XXX	XXX	XXX
Month 10	XXX	XXX	XXX	XXX
Month 11	XXX	XXX	XXX	XXX
Month 12	XXX	XXX	XXX	XXX

Schedule 11 Income tax withholdings on payments of wages and respective deposits

Description	Amount
Beginning Balance	\$ XXX
Income tax withheld on payments of wages during the year	<u>XXX</u>
Deposit of amounts withheld on previous year	(XXX)
Deposit of amounts withheld on current year	<u>(XXX)</u>
Ending Balance	<u>\$ XXX</u>
Subsequent event Subsequent to December 31, 20X3, the Entity deposited the following amount related to income tax withholdings of wages owed at December 31, 20X3	<u>\$ XXX</u>

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Schedule 12 Income tax withholding on professional service payments and respective deposits

<u>Description</u>	<u>Amount</u>
Beginning Balance	\$ XXX
Income tax withheld on professional service payments during the year	<u>XXX</u>
Deposit of amounts withheld on previous year	(XXX)
Deposit of amounts withheld on current year	<u>(XXX)</u>
Ending Balance	<u>\$ XXX</u>

Subsequent event

Subsequent to December 31, 20X3, the Entity deposited the following amount related to income tax withholdings on professional services owed at December 31, 20X3

\$ XXX

Schedule 13 Income tax withholding on non-resident payments and respective deposits

<u>Description</u>	<u>Amount</u>
Beginning Balance	\$ XXX
Income tax withheld on non-resident payments during the year	<u>XXX</u>
Deposit of amounts withheld on previous year	(XXX)
Deposit of amounts withheld on current year	<u>(XXX)</u>
Ending Balance	<u>\$ XXX</u>

Subsequent event

Subsequent to December 31, 20X3, the Entity deposited the following amount related to income tax withholdings on non-resident payments owed at December 31, 20X3

\$ XXX

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Schedule 14 Use tax reported and their corresponding deposits

<u>Description</u>	<u>Amount</u>
Beginning Balance	\$ XXX
Use tax reported on tax returns during year	<u>XXX</u>
Deposit of use tax made during year	<u>(XXX)</u>
Ending Balance	<u>\$ XXX</u>

Subsequent event

Subsequent to December 31, 20X3, the Entity deposited the following amount related to use tax reported owed at December 31, 20X3

\$ XXX

Schedule 15 Sales tax reported and their corresponding deposits

<u>Description</u>	<u>Amount</u>
Beginning Balance	\$ XXX
Sales tax collected and reported on tax returns during year	<u>XXX</u>
Deposit of sales tax made during year	(XXX)
Credit claimed on tax returns during the year	<u>(XXX)</u>
Ending Balance	<u>\$ XXX</u>

Subsequent event

Subsequent to December 31, 20X3, the Entity deposited the following amount related to sales tax reported owed at December 31, 20X3

\$ XXX

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Schedule 16 Credits generated from tangible personal property acquired for resale

Description		Amount
Total tangible personal property acquired for resale during the accounting period	A	<u>\$ XXX</u>
Total sales taxes collected on sales realized during the accounting period and informed on the monthly sales tax returns	B	XXX
Percentage of total sales tax allowed for credit	C	<u> </u> %
Amount allowed as a credit against sales taxes collected [B x C]	D	<u>\$ XXX</u>
Beginning Balance – available credit		\$ XXX
Sales tax on personal property acquired for resale (6% of the amount [A] above)		XXX
Credit claimed on the monthly sales tax returns		<u>(XXX)</u>
Ending Balance – credit available		<u>\$ XXX</u>

Schedule 17 Payments for personal expenses of partners, shareholders, members, owners, officers or relatives of any of them (Postponed by DA 13-22)

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Schedule 18 Use Taxes paid upon disposal of tangible personal property for less than its costs, in exchange for executing a contract for services or maintenance

Description	Amount
Total cost of property disposed subject to a service or maintenance contract	\$ XXX
Disposition value in service or maintenance contract	(XXX)
Excess of cost over maintenance contract	XXX
Percentage of total use tax allowed for credit	<u> </u> %
Amount allowed as a credit against sales taxes collected	<u>\$ XXX</u>
Beginning Balance of use taxes payable	\$ XXX
Payments made during the year	(XXX)
Ending Balance	<u>\$ XXX</u>
Subsequent event	
Subsequent to December 31, 20X3, the Entity deposited the following amount related to income tax withholdings of wages owed at December 31, 20X3	<u>\$ XXX</u>

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Schedule 19 Salaries reported on Form 499R-2/W-2PR and/or other payments, reimbursements or compensation reported on Forms 480.6A or 480.6B to the owners, shareholders, partners or members with a 25% participation or more

Description	Last 4 digits of SSN or complete EIN	Salaries reported on Form 499R/W-2PR	Other compensation reported on 480.6A or 480.6	Other payments, reimbursements or compensations to the owners, shareholders, partners or members with a 25% or more participation	Total
Name of Person	XXX-XX-1234	\$ XXX	\$ XXX	\$ XXX	\$ XXX
Name of Entity	66-1234567	XXX	XXX	XXX	XXX

Schedule 20 Reconciliation of salaries paid during the year and reported on forms 499R-2/W2-PR and W-3PR

Description	Amount
Total salaries paid during the accounting period audited (per financial statements)	<u>\$ XXX</u>
Salaries reported on Forms 499R-2/W2-PR and W-3PR	<u>\$ XXX</u>
Salaries reported on Quarterly Returns filed during the accounting period audited (Form 499R-1B)	<u>\$ XXX</u>
Salaries claimed as an expense on the income tax return	<u>\$ XXX</u>
Reimbursement expenses	<u>\$ XXX</u>
Amounts of income tax withheld during the accounting period per financial statements	\$ XXX
Deposits of taxes withheld during the accounting period (per quarterly returns)	<u>(XXX)</u>
Difference	<u>\$ XXX</u>

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Schedule 21 Reconciliation of payments to professional services reported on Forms 480.6A and 480.6B with amounts claimed as expense per audited financial statements

<u>Description</u>		<u>Amount</u>
Payments informed on Forms 480.6A and 480.6B		\$ XXX
Payments for services not informed (payments less than \$500 per service provider)		<u>XXX</u>
Total payments for services		<u>\$ XXX</u>
Professional services expense as per audited financial statements	A	\$ XXX
Professional services claimed as expense on the income tax return	B	XXX
Difference [A – B]		<u>\$ XXX</u>
Income tax withheld during the accounting period audited	C	XXX
Payments of tax withheld during the accounting period audited	D	(XXX)
Balance due [C – D]		<u>\$ XXX</u>

Schedule 22 Information of rent expenses informed in books, tax return and in Form 480.6A or 480.6B

<u>Description</u>	<u>Amount</u>
Total rent expense per books	<u>\$ XXX</u>
Total rent payments informed on Forms 480.6	<u>\$ XXX</u>
Total rent expense claim on tax return	<u>\$ XXX</u>

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Schedule 23 Balance of loans to partners, members or shareholders, members of the controlled group under Sections 1010.04 of the PR Code or related entities under Section 1010.05 of the PR Code

Related Person or Entity	Social Security or Employer Identification No.	Balance
Name of person	XXX-XX-1234	<u>\$ XXX</u>
Name of entity	66-1234567	<u>\$ XXX</u>

Schedule 24 Tax exemption grant requirements for employment, investment, income and status of compliance with them **(Postponed by DA 13-22)**

Schedule 25 Total use tax paid on purchases of imported construction materials. Applies to each construction project in excess of \$1,000,000

Description	Use tax of imported construction materials	Use tax deposits	Balance due
Project X	\$ XXX	\$ XXX	\$ XXX
Project Y	\$ XXX	\$ XXX	\$ XXX

Schedule 26 Accounting method used for books and tax returns on constructions projects. Applies to each construction project in excess of \$1,000,000 **(Postponed by DA 13-22)**

Schedule 27 Percentage of completion certification by an engineer for each contracts over \$1,000,000 for project using the percentage of completion method **(Postponed by DA 13-22)**

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Schedule 28 Total amount withheld on construction or projects which have not been approved or accepted by the site owner or developer

Description	Outstanding Balance	Not Accepted
Project A	\$ XXX	
Project B	\$ XXX	
Project C	\$ XXX	

Schedule 29 Compliance with the “eligible payroll” definition under Act 168 of 1968, hospital units’ credit requirements and amount claimed in tax returns **(Postponed by DA 13-22)**

Schedule 30 Amount of interest expense deducted in the income tax return not attributable to exempt obligations under Section 1033.17(f) of the PR Code **(Postponed by DA 13-22)**

Schedule 31 Amount of non-interest expense deducted in the income tax return not attributable to exempt income **(Postponed by DA 13-22)**

Schedule 32 Methodology used to determine non-deductible expenses and the amount reported as non-interest expenses **(Postponed by DA 13-22)**