



THE BALANCESHEET

December 2016

We have enjoyed working with you during 2016. Wishing you a wonderful festive season, and a New Year of peace and happiness.

Holiday Office Hours

Our offices will be closed from 4pm on Thursday, 22 December 2016 and will reopen at 8am on Monday, 9 January 2017.



Christmas is about family

This Christmas is going to be even more special for Director, Peter and Vanessa Hexter with the arrival of their second daughter Charlee.

Peter and Vanessa (many will know from our accounting team) welcomed their second daughter, Charlee Ann Hexter into the world on Sunday, 25 September 2016. To the delight of big sister Summer – who will be two in March.

The family live on a lifestyle block just on the edge of Morrinsville. This allows them the best of both worlds – with a bit of country lifestyle (where Peter uses his farming skills) but still being close enough for Vanessa and the girls to walk in to town.

Peter says, “I think I’m just about to face one of my biggest challenges, raising two girls, although we are fortunate enough as we have family and friends around us to help out”. Vanessa has taken the role of

mother-of-two in her stride and is loving her time off work in the office to be with her two girls. Summer is loving being a big sister and is quite protective of ‘her baby’.

Vanessa plans to take the full year off with Charlee and then return to CooperAitken.

Peter and Vanessa thank you so much for your kind words and wishes.

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The legal stuff

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Team News

Welcome...

The Morrinsville team welcomes **Catherine Chaney** and **Lindsay Russell**. **Catherine** joined our team in September and is also currently studying through Massey University. She lives in Morrinsville with her two children. Welcome to the team, Catherine!



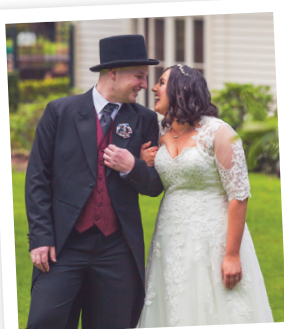
Lindsay joined our team in November. Originally from Northland, Lindsay has been living in the Waikato for the past 6 years. She has an accounting background and is happy to join the team at CooperAitken.

Congratulations to...

Tim Fitzpatrick and his wife Charlotte, on the birth of their daughter, Ashleigh Rose on Sunday, 21 August.



Troy Hallet and new wife Casey, on their wedding on Saturday, 29 October. Best wishes to you both!



Jess Horrox, who through the Chartered Accountants programme, was awarded three Certificates with Merit in recognition of Outstanding Performance in Audit and Assurance, Financial Accounting and Management Accounting. Amazing achievement Jess!



Morrinsville Fun Run

The Heathcote's 15th Annual Morrinsville College Fun Run/Walk was held on Sunday, 16 October 2016. The rain held off nicely and the day was thoroughly enjoyable. Quite a few of our team participated this year, which was great to see, with one of our team taking home the grand prize of the day!

Charity Days

Our team supports many charity days throughout the year. Pink Day, Daffodil Day and the SPCA are charities the team always love to support.



Morrinsville Year 7 Netball Team

During the netball season, we supported the Morrinsville Year 7 netball team and sponsored some cool team jerseys. Receiving this lovely thank you note makes its all worthwhile.



SPONSORSHIP

Tauhei School

We recently supported Tauhei School's annual Livestock Day. Our donation went towards the ribbons awarded to the children on the day.

Springdale School

For Springdale School's Livestock Day we sponsored a wheelbarrow in their 'Great Wheelbarrow Race', with the money from the event going towards a new learning environment at the school.

Paying employees over the festive season

This year Christmas and New Year's days fall on a Sunday, therefore the statutory holiday is 'Mondayised' and leave entitlements for employees who work Monday to Friday will move to the Tuesday. Boxing day and 2 January are on a Monday and therefore statutory leave will be on the actual day of celebration.

If an employee would usually work on the Monday and Tuesday, and works on these days, they are entitled to be paid at time and a half for the time they work, plus receive a day in lieu at another date. However, if the employee would usually work the Sunday and Monday (for example farm workers), then those are the two statutory days and they would get time and a half for those days, plus the days in lieu. No matter if you work six, seven or five days



a week, you still only get the two statutory days for each break. If you hire someone to work on these days, and these are NOT their normal working days for you, i.e. they would not normally work for you on a Sunday or the Monday but are covering for a staff member who has that as their statutory day, they still need to be paid time and a half for the hours worked but you do not need to give them any days in lieu.



Rewarding staff at Christmas time...

The tax rules around bonuses and gifts are quite complex, so you may want to check your ideas out with us first. Entertainment expenses are deductible, however you always need to watch out for fringe benefit tax (FBT). As a general guide:

- Christmas parties are 50% deductible
 - Transport to the function is 100% deductible, but FBT could apply
 - Lunches and morning teas are 100% deductible
 - Christmas gifts and gift vouchers, providing they are non-food and drink are 100% deductible
 - Food and drink gifts are only 50% deductible and FBT could apply
 - Cash bonuses are to be treated as wages with PAYE deducted
- Please contact us to check how you can best reward staff and claim the costs back.

AgriSmart helps with Health and Safety requirements

Developed by CooperAitken, AgriSmart software now includes a Health and Safety (H&S) module, designed specifically for our farming clients. This will help farmers comply with the new Health and Safety at Work Act (2015), which came into effect on 4 April 2016

Under the old law, farm owners had separate duties for their employees and contractors. In practice, this often meant farm owners focused on their employees H&S and left contractors to manage their own.

The new law doesn't make this distinction, meaning farm owners owe the same H&S duties to both employees and contractors e.g. sharemilkers, fertiliser truck drivers etc.

Also under the old law, officers were only personally liable for H & S breaches if they actively participated in the breach. This made it difficult to prove, and easy for directors/senior managers to avoid the consequences of a serious farm accident. Now it is easier to hold officers, like directors and senior farm managers, personally responsible for H&S on the farm, and they have a duty to ensure the farming business meets H&S obligations.

The maximum penalties for reckless breaches in health and safety are now:

- 5 years imprisonment or \$600,000 fine for an officer
- \$3m fine for a company

AgriSmart is a comprehensive yet easy to use H&S system that will enable you to record:

- Known risks on the farm, with a list of default actions to mitigate those risks
- Induction process for both staff and contractors
- Incidents on the farm
- Emergency plan
- All your powered equipment showing the service history of that equipment
- Hazardous substances
- The skills required on the farm, matched to your employees skills
- All messages sent directly to employees
- Tasks arising from risks and incidents
- All risks identified and eliminated, and number of near misses, etc., recorded, so you can learn from these.

AgriSmart is web based and can be accessed on your PC, Tablet or Smartphone. Prices start from \$20/month, plus GST.

Please contact Imran Raza or Mark Crarer for further details on AgriSmart, or John Brosnan if you would like help with your H&S procedures, on 07 889 7153 | www.agrismart.co.nz

Coral Phillips -

Dairy Farmer turned Accountant

Coral Phillips is a Chartered Accountant and Associate at CooperAitken. However, Coral hasn't always been an accountant. Previously she spent many years dairy farming.

Having grown up on a dairy farm in Te Awamutu, Coral obtained a Science Degree at Massey University and then worked at Ruakura in Animal Nutrition. Coral started dairy farming in 1980 progressing through sharemilking and dairy farm ownership in Te Awamutu, Matamata and Morrinsville. As you would expect, Coral was on the farm daily, hands on with milkings, stock work, calf rearing and did all the book work.

She started her career as an accountant in 1997 after a change in personal circumstances and hasn't looked back, totally enjoying learning a new skill set, and completing her chartered accountancy in 2006. Coral is really pleased that she has remained with a rural accountancy firm. She definitely has a special focus helping farming clients to understand how their financial results can help with practical decision-making on the farm. Coral laughs and says "I wish I had the business/accounting knowledge I have now when I was managing the farm as things make so much more sense now".

Coral's connection to the farming industry is still very apparent, with her two sons both now in the dairy industry - Luke working for Fonterra in Waitoa and Aaron a local 50/50 sharemilker. Having the farming connection helps Coral with her clients, as she can explain things in their language. She really understands the decisions they need to make and

the enormity of running a farming operation, the financial struggles, dealing with employees, contractors, health and safety, stock, weather, etc., and the issues of simply being self-employed.

Coral's passion is helping people, and working as an accountant she gets to meet many different people and enjoys being able to work with them all.

Coral says, "At CooperAitken we can be very flexible and are able to tailor our service to suit the client. Some clients prefer us to do the minimum compliance work, others prefer regular advice with running their business and some want to learn as much as they possibly can to do more themselves".

The desire to help people is also illustrated by her involvement with staff training at CooperAitken and acting as a mentor to those completing their Chartered Accountant qualification.

Coral has always been part of a rural community and her boys attended local schools at Tātuanui and Morrinsville. She likes the support and friendliness that rural towns offer and, once again, Coral and husband Peter live in Te Awamutu.

Keeping her interest in the land Coral enjoys tramping. She says, "Te Aroha and Kakepuka have been good training grounds for 2016 milestones Heaphy Track, Mt Taranaki and Mt Holdsworth". Coral also has a special interest in native plants.



Progress on our new software platform

It's exciting times at CooperAitken at the moment as we are implementing a new Practice Management and Accounting software platform.

This is a major internal change, but one that is very much needed. It will allow us to keep up to date with the many changes in technology that are occurring around us, while at the same time help us continue to improve the delivery of our services. Many of the team are involved in the implementation process to ensure a smooth transition.

We are not expecting this to disrupt our clients in any way, and once implemented we are expecting some exciting opportunities for you and the practice.



Informative sessions

We recently ran three progression sessions on three different topics, hosted by three key staff members in our three offices.

In August, Senior Accountant Rory Noorland, hosted a well received 'Demystifying your Accounts' on how to make better decisions on understanding your financial accounts. The clients that attended found it 'very interesting and insightful'.

In September, our HR guru, John Brosnan, hosted a session on 'Staff Harmonisation'. This session proved to be very popular, with lots of questions asked, and a few clients wanting to book follow-up appointments to discuss business improvement and staff management.

Most recently, our Marketing expert Alison Clarke, hosted a session on 'Marketing Hints and Tips'. The session covered 'Do's and Don'ts' and 'The Best Spend for your Dollar'. The clients that attended were really engaged and interested in the tips provided.

The sessions proved to be a success and more are planned.

ACC Workplace Safety Discount

Accident Compensation Corporation are discontinuing their Workplace Safety Discount (WSD) and Workplace Safety Management Practices (WSMP). ACC cannot accept new members into these programmes from the 1st April 2017 and discounts will end by 30 June 2019.

Going forward ACC want to collaborate with businesses to co-design a range of tailored and flexible options like targeted incentives and injury prevention initiatives that deliver long-term benefits for our customers and contribute to the financial stability of the Scheme. ACC also want to improve our Experience Rating (ER) system to drive better health and safety results, and lift poor claims performance.