



# THE BALANCESHEET

Autumn 2016

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## Did you know?

Our website [www.cooperaitken.co.nz](http://www.cooperaitken.co.nz) has a wealth of information on it regarding everything from PAYE to accounting software - check it out today.



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## The legal stuff

All information in this newsletter is to the best of the authors knowledge true and accurate. No liability is assumed by the authors, or publishers, for any losses suffered by any person relying directly or indirectly upon this newsletter. It is recommended that clients should consult a senior representative of the firm before acting upon this information.

## Tough times, tough decisions, good planning



We are here to support our clients affected by the continuing pressure on the dairy sector.

Everyone's situation is unique and the effects contingent on the nature of your business, the locality and size, debt levels, skills of staff, etc. There is no one answer that fits all.

It's important to plan as much as possible, even though there are many factors which are out of your control. Quantify your current position, forecast to balance date and then prepare budgets and cashflows before the new season starts. Be aware of new developments and ensure you are well informed. It is absolutely vital that you keep budgets and cashflows updated and keep your bank in the loop.

We are also very aware that it's not only our farming clients struggling; many commercial clients reliant on the dairy industry are also affected.

**We are here to help so please contact us if you would like to discuss your situation with us.**

**We'd love to share our experience and ideas with you, to reduce your costs and maximise your income – we have seen some great results.**





## Congratulations

Congratulations to proud parents **Chloe and Cam** on the birth of little Ava Grace, born 9 January 2016.



## CA Achievement

Well done to Sarah Potheary who was accepted by NZICA as a Provisional CA member. Sarah said, "It has been a long hard road to get this far but CooperAitken have been fantastic in their support and encouragement. I'm now looking forward to completing the Chartered Accountant program."



## Welcome

We welcome **Chelsea Lawson** who has joined the accounting team in Matamata.



From left: Vanessa Hexter, Joan Coffey and Linda Mason-Riseborough.

## Long service at CooperAitken

Congratulations to **Vanessa Hexter** and **Carissa Tolley** (right) on their 10 years of employment with CooperAitken, and to **Joan Coffey** and **Linda Mason-Riseborough** on achieving 20 years service. CooperAitken is clearly a great place to work.



## New appointment for Thames team

We are pleased to introduce you to **Cameron McGill** who has recently joined CooperAitken as the Thames Regional Manager. Cameron brings with him a wealth of knowledge and experience, having spent the last eight years in Australia working as a Chief Financial Officer and running his own Accounting firm. Previous to that he worked in New Zealand as an investigator for Fisheries and as a Senior Customs Officer.

As a Management Accountant with a Masters Degree in Business Administration, **Cameron's passion is helping small businesses and organisations grow in a sustainable, successful way.** With a young family of three small girls, the McGill family is eagerly looking forward to leaving the hustle and bustle of Auckland for the ideal life in Thames/ Coromandel. Cameron is joining a great team in



Thames with Alan Bloom, Leeann Harris, Damien Waitai, David Gilmore, Selma Olsen, Angela Duncan and Shaan Cowling, and directors Rodney Aitken and Trevor Cooper who are regulars in the Thames office.

## Change of roles

**Bec Morris** (right) has been appointed as Personal Assistant to Grant Eddy and Peter Hexter.

You can contact Bec on 07 889 8897.

**Maree Sattler**, (far right) previously PA to Grant, is now our Office Manager.





# Have you got the correct tools to make the right call...



While it is not absolutely necessary, starting to use new software at the beginning of a new financial year is beneficial – it means you get a full financial year in the system which makes for more accurate reporting. So now could be a good time to be considering your options.

Financial software will assist you in running your business and supporting timely decision-making. It will give you real-time reporting of actual performance compared to budget, and a constantly updating forecast. There is huge power in being able to update your forecast with a click of a button following a change, which some software solutions can do.

There are many different options and it is important that you find the right fit for your business and that it does what you want to achieve. For example, do you want it simply to code bank transactions to enable reporting actual results, or do you need a detailed budget to enable regular management reporting.

Choosing the best solution for your business depends on many things. You need to consider:

- who will be using the software
- who needs access
- what business outcomes you require, to name a few

An example of this is where your Accountant processes the data for you, and you use the reporting and forecasting functionality to help with

management decisions. There are many options available and we can help you work through a process to establish what is the best fit for you and your business. It may be a simple excel spreadsheet or a software solution where you can collaborate easily with your business team, including your professional advisors such as Bankers, Accountant and Farm Advisor.

Key to embarking on using a new software solution to help manage your business is ensuring the initial set-up is correct. Standard packages will likely need to be customised for your business, and it will save you time, money and frustration if you get this correct from the outset. You may also need some initial training to get the best value from it. Take this one step at a time. Get some basic training to get you started and progress over time to maximise the value.

If you would like assistance with getting your software working for you, contact **Megan Shannon** on 07 889 8848.

This will give you peace of mind, save you time and ultimately it can save you money.



## Save money on your ACC

There are many ways to save money on your ACC policy:

- Experience rating – recognises a good claims history, rewarding you with a 10% discount
- Workplace safety discount rewards you for implementing health and safety practices – another 10% discount
- Spread your payments over 6 months - interest free
- Make sure your ACC and Income Protection insurance complement each other and do not double up
- Have your provisional invoices reassessed if employing more or less staff
- Ensure your business classification is correct
- Ensure the level of cover you have is applicable to your circumstances

## ACC CoverPlusExtra (CPX) Renewals

Now is the time of year to check your CPX policy.

Your policy will automatically renew on 1 April 2016.

- Have you started or ceased self-employment?
- Has your role in your business changed?
- Do you require an increase or decrease in cover?

Our ACC Team can assist you in making the right choices to save you money and time, and can discuss how a yearly review can benefit your business.

## Changes to GST for Sale and Purchase Agreements

The Auckland District Law Society have released a new edition of the Sale and Purchase Agreement for Real Estate. There have been a number of changes to the agreement. Significantly, improvements have been made to the GST schedule and its associated clauses, to better allow for the agreement to cater to a sale where part of the property comprises a principal place of residence such as a farmhouse or an apartment above a shop.

Though the GST treatment of a sale or purchase should be much clearer now, there is still the need for care to be taken to prevent potentially costly unexpected GST consequences. For this reason we always recommend that you have your lawyer or ourselves review the GST implications of the agreement prior to signing. A quick review and confirmation can prevent unexpected costs at time of settlement.

# Are you ready for the Health and Safety changes on 4 April?

Health and Safety is essential in the workplace and our recent seminars on the new legislation have been well received.

When a health and safety issue arises, having the correct Human Resources (HR) procedures in place will be beneficial for your workplace. The Health and Safety at Work Act 2015 was passed through Government in October 2015. This act comes into effect on 4 April 2016. The driver behind this Act is to reduce workplace accidents and deaths in NZ.

No longer will the responsibility for safety in the workplace just fall on the 'Employer'. The new legislation shares various duties on Persons Conducting a Business or Undertaking (PCBU), Officers and Workers.

In essence, this means no one can 'opt out' of Health and Safety, put their hands in the air and say "it's not my problem." Safety is everyone's responsibility.

The primary duty of a PCBU is to manage hazards by elimination or minimisation; these duties are non-transferable and cannot be insured against.

The Officers are directors, partners, board members or chief executive, in



essence the people who make decisions and have legal accountability for the health and safety in the workplace. These individuals are now deemed to be 'Officers' under the new legislation, and because of the role they play, now have to exercise due diligence to ensure that the PCBU complies with their duties.

The Workers include employees, contractors or sub-contractors, etc. The new legislation takes into consideration Workers and the responsibilities they have to in the workplace – this includes taking reasonable care of their own safety, ensuring their acts or omissions don't harm others, complying and cooperating with the policies and procedures of the PCBU.

Having a framework in place for your

health and safety is important and if you are having issues with your staff not adhering to your policies, having effective HR policies will be essential to you. If your company has the correct policies in place and there is a good employment agreement then this will be highly beneficial to you. The key component of everything is that your health and safety policy is a live document, discussed and reviewed regularly. Under the new act if a worker injures themselves or damages equipment, and your policies have been clear, it is the worker's responsibility for the damage. HR is a two way street – the employees and employers need to be respectful of each other and what they are asking of one another.

Please note home owners are specifically excluded as PCBU's under the Act.

## Modernising parental leave

Changes to modernise the parental leave scheme will come into effect on 1 April 2016.

These changes will provide not only an extension to the duration of paid parental leave from 16 to 18 weeks but also provide greater flexibility along with extending who can benefit from the scheme.

### The key changes include:

- Extending parental leave to those without regular working hours and making it available to employees who have recently changed jobs
- Extending the scheme to a wider group of primary carers
- Allowing greater flexibility for when workers can take

unpaid parental leave

- The introduction of "Keeping in Touch" hours
- Extending unpaid leave to workers who have been with their employer for more than six months but less than 12 months
- Allowing workers to resign and still receive paid parental leave

The changes that will have the greatest impact on employers are:

- Allowing workers to take unpaid parental leave flexibly rather than in one continuous block. Employees will be able to return to work for a period and take the remainder of their leave later in the year. This will require agreement with the employer and parents must take any

remaining unpaid leave before the child is one year old.

- The introduction of "Keeping in Touch" days will allow workers to work up to 40 hours during the 18 weeks of paid leave. These hours could be used to keep up with skills development, training or completing a work handover and can help the parent ease back into work. Keeping in Touch days are not compulsory and again require mutual agreement for their use. The child will need to be at least four weeks old before the Keeping in Touch days can be used.
- Workers who have been with their employer for more than six months, but



less than 12 months, will be able to take unpaid leave in addition to their paid leave, up to a total period of six months.

- Allowing workers to resign and still receive payments will give greater choice to employees and give certainty to employers. It will allow employers to recruit a permanent replacement, rather than a temporary replacement, where the employee has no intention of returning.

**If you would like more information please contact Rory Noorland on 07 889 8850.**