



# CooperAitken BalanceSheet

May 2021



**Included this month;**  
Planning for the end of the year article | Directors Strategic Retreat | A story of the importance of compliance as an Employer | Multi-factor authentication | Where to find us in Matamata



## PLANNING FOR THE END OF THE FINANCIAL YEAR

**It is that time of year again, where the 31st March has passed and 31 May is approaching – two of our most common balance dates.**

For those with 31 March as their balance dates, we have already sent out questionnaires via email and posted others where email is not an option. It may seem a daunting process but think of it more like a checklist of information that you need to provide to us and advise us of any major changes during the year. It is, at minimum, a legal requirement that the front page is signed, so we cannot proceed with your accounts until we have this on file.

Common additional information that we need from you at the end of the financial year is:

- Bank and Loan statements – Confirming your account/loan balances and interest rates
- Accounts Receivables – Review this list and if you believe any of these will not be collected, they must be written off prior to balance date in order to claim the deduction.
- Accounts Payables
- Stock on Hand – For commercial clients, those with stock valued at more than \$10,000, this is a must and can be obtained by conducting a physical stocktake. Alternatively, if you have an inventory system, the value can be found

through that. For farming clients, a physical stock count needs to be undertaken on balance date, noting the ages and classes of animals. Alternatively, electronic stock records like NAIT records can be provided.

- Any Hire Purchase agreements and repayment schedules with all information relating to the finance
- Any invoices for asset purchases, large repairs & maintenance items and insurances paid (including payment schedules if these invoice are financed) so we can treat them appropriately
- Revisit your fixed asset/depreciation schedule from your 2020 accounts and advise us of any assets you no longer have or any that need to be written off
- Covid-19 related items – please advise us of any Wage Subsidies claimed or whether you have used the Small Business Loan Scheme. We will need all details relating to these so we can ensure they are treated correctly
- Any changes to your family situation, which can affect your entitlement to family assistance
- Any donation receipts for donations made to registered charities, public schools and religious organisations throughout the year. Alternatively, these can now be uploaded to myIR as you go.

Please note that anything not provided to us, like invoices, still needs to meet the record-keeping requirements and we do assume that this is the case. We recommend that you keep all financial records and invoices for 10 years.

Although it can be viewed as a cumbersome task to plan for the end of the financial year, the process can be made easier and more efficient with the use of proper accounting systems and technology. Rather than using a physical folder to file all of your documents, most accounting packages now allow us to upload the information as we go via cloud-based software, meaning we will not need to request as many documents from you that we once did. Anything obtained throughout the year or uploaded to your accounting software does not need to be provided to us again. Accounting software also makes record-keeping much more relevant and less time consuming.

If you would like any further information on software packages available, please contact our software team, based in the Morrinsville office.

As the end of the financial year passes or approaches, it is worth acknowledging how hard small businesses have worked for their survival. Armed with the knowledge and experience that Covid-19 has provided to all of us, I would like to encourage you to continue to work with us to build a plan for the year ahead. We never know what is going to hit us, but being prepared always helps.

**Charlotte McFarlane**  
**Associate and Chartered Accountant**



**Herd of Cows?**  
Morrinsville Street Art

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## DIRECTORS RETREAT 2021

Our Directors retreated from the office a few weekends ago for their annual Strategic weekend, held in Whangamata again this year.

These strategic 'retreats' give our Directors some dedicated time away from the office to focus on firm strategy and strategic planning. The weekend also gives the Directors a chance to do some cool team building exercises, including a fun Pilates session this year.

The weekend was a successful one, and the team are ready to approach the rest of 2021 with key strategies in place.

A special mention and thank you to John Schol, for being our awesome external facilitator.



Xero Users – Multi-factor Authentication is coming.

You may have noticed an option to set up a Multi-factor authentication (MFA) when logging into your Xero account recently.

MFA adds a second layer of security to your file, checking that it's really you when you log in. This additional security is designed to prevent anyone but authorised users from accessing your file and helps ensure the safety of your information. All our team use MFA when accessing client information

While this MFA set up is optional for now, come 1 June 2021, it will be mandatory for all New Zealand Xero users to set and use the MFA log in.

If you need help setting up, or have any questions, our software team are here to help. P: 07 889 7153 or [xero@cooperaйтken.co.nz](mailto:xero@cooperaйтken.co.nz)



## COMPLIANCE AS AN EMPLOYER

Southland Dairy Farmer penalised \$30,000 for breaches. Questions raised regarding due diligence within the industry.

The Employment relations authority has ordered a Southland dairy farmer to pay \$30,000 after failing to comply with the Employment Relations Act 2000 and the Holidays Act 2003.

The Authority found the Employer failed to keep holiday and leave records for any of his employees. Three employees did not receive the final pay on termination of their employment and at least one employee did not receive time and a half, or receive a day in lieu for working a public holiday. Adequate records for holidays and leave did not exist, making it impossible to quantify the extent to which other employees failed to receive their holiday and leave entitlements.

The Inspectorate found that of seventeen employees that were employed between September 2018 and September 2019, only one had an employment agreement, which the employee had supplied themselves. Due to a lack of detailed wage and time records, it has proved impossible to tell if workers had been paid at least the minimum wage.

The ERA determination noted that record keeping, as well as being a legal requirement, is “central to building productive employment relationships.” The ERA determination showed the breaches were intentional and the employer “took no steps throughout his history as an employer in New Zealand to familiarise himself with his legal obligations” and was “wilfully blind.”

Labour Inspectorate dairy sector strategy lead Callum McMillan says the dairy farming industry is a focus area for the Labour Inspectorate.

“It’s not enough that employers take a passive approach to compliance with employment standards. Employers have a responsibility to get the basics right no matter how long they’ve been operating.

“The industry has taken some steps over the last few years by setting expectations and establishing assurance systems, and has support readily available for farmers on matters of employment. This makes it even more disappointing that there are still dairy farmers who are failing to get the minimum requirements right, and raises a question around the due diligence the industry has in place.” Mr McMillan says.

At Cooper Aitken, we are aware of how complex payroll and employment legislation are becoming. Our dedicated payroll team can relieve you of the burden of payroll administration and complying with the Minimum Wage and Holiday Acts through our comprehensive and confidential payroll services.

Please contact us directly at (07) 889 7153 to discuss your payroll needs. Our team are here to help.

