

DAA Bulletin

Quote

“You only live once, but if you do it right, once is enough.”

- Mae West



DODD AND ASSOCIATES LTD
CHARTERED ACCOUNTANTS

Address Reminder

Some of you are still sending mail to our old address.

Please remember to send everything to

**PO Box 42113
CHRISTCHURCH
8149**

Bob the Builder

Inspiration and motivation comes from the most unlikely sources as experienced by Kerry recently. Whilst watching Bob the Builder with his children Kerry recognised that there was a hidden message within the cartoon for business owners. When someone says to Bob can we fix this problem what does he do? Bob shouts out “YES WE CAN!” He doesn’t stand there and say “mmmm not sure about that one” or “let me think about it” but instead tackles that problem head on.

As business owners we can all learn a lot from Bob the Builder. Think about the problems that you are having right now. Once you have identified your problems start to think like Bob and say as loud as possible “YES I CAN fix this problem”. You may need help to fix it or even more information but unless you follow Bob’s lead and make the decision to fix the problem you will never solve it.

Recently we explained this to a new client and it has proven to be positive for that client. She was struggling along and she approached us asking if we could assist with her bookwork. We said “YES WE CAN” and she is now, because of our TriTec service, aware of exactly what money she is making and at the same time also able to solve the issues she was having with Inland Revenue.

Our challenge to you is become Bob the Builder and solve your problems! We are here to assist in all areas of your business and can put you in contact with the right people to solve your problems.

Neville in India

As we reported in the last newsletter Neville was honoured with an invitation to speak to members of the International Fiscal Association in Mumbai, India.

Despite being extremely modest about the whole thing we have managed to extract a few details out of Neville to share with you. He jokes that it was all very dull, dry and boring but when pushed he admits that he managed to get a number of laughs from the audience which does not surprise us.

The subject matter of his lecture was to be International Tax Management and the Range of Entities Available. We understand he managed to slip in some discussion on the Politics and the Economics of tax policy as well.

Knowing Neville we are quite sure he was advocating a low tax regime intended to support economic growth. He must have done well as there was quite a lot of applause at the end, or so he tells us!

As well as the lecture Neville took the opportunity to do some tourist things while in India and has shown us some great photos. If you’re in the area be sure to stop by and see us and he may just show you one or two.

End of Year Financial Tips

The end of the 2012/13 financial year is fast approaching for many people and we are receiving enquiries about the areas of business that should be considered and questions relating to what can be done to prepare for the end of the year. Some of the areas we believe should be considered are:

- Uniforms and work clothes - Consider upgrading your work wardrobe if your work clothes qualify for deduction.
- Work / income producing travel - Ensure appropriate travel diaries have been documented for costs to be deducted especially if travel included both personal and business.
- Consider timing of revenue recognition - If your business sales are assessable when invoiced, consider timing of invoice for post 31 March.
- Write-off bad debts - Review and physically write off bad debt before 31 March 2013, either by writing-off in the books of accounts or passing a resolution of the decision to write off the debt.
- Scrap obsolete trading stock - Scrap obsolete trading stock prior to 31 March 2013
- Calculate staff bonuses – If staff bonuses are paid within 63 days of the end of the financial year then they are fully deductible for the year ended 31 March 2013
- Purchase assets costing \$500 excluding GST or less - Consider purchasing any assets less than \$500 excl GST and get an immediate deduction.
- Repairs and Maintenance - Consider bringing forward repairs & maintenance.
- Business expenses paid privately - These can be missed and a tax deduction is lost. Now is a good time to gather up any receipts and to reimburse yourself from the business so there is a clear paper trail.
- Prepayment of expenses – Potentially some expenses can be claimed as deductible even though the benefit may not appear until the next financial year. These include stationery, postage, courier charges, vehicle registration, road user charges, journal subscriptions or even accounting fees which can be paid in advance and claimed as a tax deduction. No, we're not hunting for payment in advance for this year's accounting fees – but I'm sure you can see some possibilities here.
- Look at outsourcing payroll, accounting and other admin functions - Now is a great time for businesses to consider relieving themselves of the burden of their payroll responsibilities, including general administration, leave management, PAYE etc and also their accounting / book keeping. If you are looking to outsource we can assist with this.
- Schedule performance reviews for key employees - Schedule a formal meeting to provide performance feedback and set goals for the New Year.
- Take out tax audit insurance - Take an audit insurance policy which provides your peace of mind against the substantial cost that may be incurred should the IRD or other government agency conduct a random review, investigation or audit.
- Create a 2013/14 revenue and cash flow forecast - Demonstrate that your business is prepared for the new year by creating a revenue and expense forecast for 2013/14 to determine likely trends and outcomes
- Update and document your business plans for 2013/14 - Capture your objectives for the new financial year and beyond in a documented plan that you can use to share with people involved in your business and to have something to measure performance against.
- File your tax return - If you have not provided us with your tax records for the 2011/12 year get them into us immediately as the deadline to file your tax return is fast approaching.

Seminars & Workshops

As the new financial year approaches we have started planning some seminars and workshops specifically tailored to certain industries and / or topics.

One we think will be popular will be based on residential property. Our aim is for attendees to learn all about buying and selling property whether it is your personal home or investment property.

Another one that should prove popular in the current market is tailored for contractors. This will include tips on what records need to be kept, how to maximise the available deductions and how to present the data to your accountant in the most efficient way.

We will be advertising closer to the presentation dates so keep an eye on future newsletters for these and other exciting topics. In the meantime, if you have any areas you would specifically like to see covered in a seminar or workshop format please email your ideas to katem@dodd.co.nz or give Kate a call on **03) 348-4403**.

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