

DAA Bulletin

The team at
Dodd And Associates
would like to wish you all
a very happy and safe
Easter weekend. We will
be out of the office on
Friday March 29th and
Monday April 1st.



DAA

DODD AND ASSOCIATES LTD

CHARTERED ACCOUNTANTS

Address Reminder

Please note our
redirection ends in two
weeks time.

Mail sent to our old
address may be sent
back to you. Please
make sure you use:

PO Box 42113
CHRISTCHURCH
8149

Stress Can Be Deadly

In today's world life is full of hassles, deadlines, frustrations, and demands. As a result for a lot of us stress is so commonplace that it has become a way of life. Stress isn't always bad but if ongoing it can be deadly. If you're constantly running in emergency mode, your mind and body pay the price. You can protect yourself by recognizing the signs and symptoms of stress and taking steps to reduce its harmful effects

Stress is a normal physical response to events that make you feel threatened or upset your balance in some way. Your heart pounds faster, muscles tighten, blood pressure rises, breath quickens, and your senses become sharper. These physical changes increase your strength and stamina, speed your reaction times, and enhance your focus – preparing you to either fight or flee from the danger at hand.

Some of the signs of stress can include but not limited to memory loss, poor judgement, moodiness, feeling overwhelmed, nausea & dizziness and sleeping problems. If you're experiencing what you believe to be warning signs of stress, it's important to see a doctor for a full evaluation. Your doctor can help you determine whether or not your symptoms are stress-related.

Payroll Xtreme

Did you know that Dodd And Associates has designed Payroll Xtreme to take care of your payroll obligations? We believe that Payroll Xtreme is the perfect solution for any employer who does not want the hassle of calculating wages and all the other obligations that you face under employment legislation. Payroll Xtreme will track and record vulnerable areas for employers such as Annual Leave, Sick Leave, Leave in Lieu, Unpaid Leave, Bereavement Leave, and Statutory Holidays as required by employment law. Payroll Xtreme is affordable for any business and you can be safe in the knowledge that it is backed by Dodd And Associates where we monitor closely any employment law changes and the impact on your payroll obligations.

With Payroll Xtreme we can also offer an additional service whereby we can assist you with the preparation of employment agreements for employees which are fully compliant with the legislation. Our employment agreements include as a standard clause the 90 day trial period which is important when employing any new staff member. Without a signed agreement containing this clause you will be faced with the prospect that you cannot terminate the new employee if they are not making the grade and if you do it may prove costly.

Seminar Website Launched

Last month we indicated that we were planning seminars and workshops for the new financial year. As part of that we recently launched our Seminars Website (www.seminar.net.nz) and in the first 48 hours we experienced significant interest and overload of it going live. As valued clients of Dodd And Associates we want to give you priority opportunity to register your interest in our planned seminars. Topics include "Pie and Pint Night" for contractors, Get Real on Real Estate, Understanding Financials and Hammer That Mortgage. If you are interested in any seminar (or know anyone who would find it valuable) register your interest via our website and we will be in contact.

Top 10 Investment Considerations

1. **Low Risk, High Return**

Pay off debt. This is effectively a no-risk return of up to 6% (mortgage) or even 20% (credit card). Borrow when absolutely necessary but aim to repay debt as soon as practical.

2. **Low Risk, Known Return**

Put your money in the bank. Not much fun and you won't get much out of it at the present time but it's more likely to be there in a year's time than some investments.

3. **Shares and Property**

Returns on shares tend to be higher but so is the risk that stock prices will fall. Although property prices can also fall it is less likely and highly unlikely that properties will end up with a nil value.

4. **Long Term Investments**

The longer you have until retirement the higher risk you can afford to take (personal preference permitting, of course). Managed funds tend to deliver better returns than bank deposits over medium to long terms. Remember when considering options that all projected returns are exactly that, projected, they are not guaranteed.

5. **Monitored**

You don't necessarily need a professional doing this for you if you are confident in your understanding of your investments but you do need to make sure someone (you) is reviewing your investments to ensure they are still suitable for your requirements. This is especially important when there are major changes in your life such as new families, career changes etc.

6. **Dump the Rubbish**

If you are not getting the returns you expect or need from your investment get out early. There is no point waiting until there is nothing left.

7. **Eggs vs Baskets**

Spread your investments across a range of different areas. Managed funds often offer good diversification however be aware that they tend to have lower returns and they are still being monitored by a fund manager with their own idea of what is a "good investment" – this may not match with your ideas.

8. **Fashion Faux Pas**

Don't go chasing other peoples "good luck stories". Chances are if they have done well the investment is at or near it's peak and if you weren't in when the going was good you will be disappointed with your return.

9. **Retirement Planning**

Just because you retire you don't stop investment planning. Unless you know the exact date you are going to die and don't want a cent left on that date you should still be aiming to get as much of a return as possible in order to at least minimise any capital withdrawals. Ideally you should be able to live off the returns.

10. **Tax Minimisation**

Don't let the Government take anymore that they are entitled to. When you are deciding where to invest, see us for advice on how your decisions will impact on your tax requirements. Just because PIE's (Portfolio Investment Entities) have a capped tax rate of 28% investors flock to them because they are "safe". However, if your nominal tax rate is only 10.5% you are effectively paying more than twice the amount of tax you need to – do you really want to be doing that?

The information above does not constitute investment advice. The information is of a general nature only and does not take into account your individual objectives, financial situation or needs. It should not be used, relied upon, or treated as a substitute for specific professional advice. Dodd And Associates Limited recommend that you obtain your own independent professional advice before making any decision in relation to your particular investment requirements or circumstances.

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