

DAA Bulletin

Workshop

We are excited to announce that this June, in conjunction with ANZ, we will be hosting a business training workshop focusing on how to make a profit and maintain cashflow. For more information visit

<http://www.seminar.net.nz/>



DODD AND ASSOCIATES LTD
CHARTERED ACCOUNTANTS

Office Space for Rent!

Are you in need of your own office space? Do you get distracted too easily working from home? Follow this link to the Shared Spaces website for the solution to your problem

<http://goo.gl/hQspn8>

Tax Mistakes Businesses Make

As we head into another month of the new financial year we thought we should highlight tax mistakes we often see businesses make. These are not all the mistakes but they are the more common ones.

What Taxes Do You Owe

In business it seems that you are getting hit from every direction with another type of tax and it can be overwhelming. If you are in business it is important that you fully understand what taxes are what and also when they must be paid. With so many taxes plus returns they can be complicated, which often means that people without a tax background go DIY to keep costs low which leads to errors occurring that can cost hundreds or thousands in penalties and interest.

If you are unsure what taxes you are facing, having difficulty with returns or feeling overwhelmed talk to DAA. We have the knowledge and experience to make business taxes easier for you and give you the time to concentrate on what you are good at and making money.

Payroll

One area of taxes that's especially complicated and potentially very costly when you make a mistake is payroll. If you have employees it comes with many filing and tax-payment requirements and hefty penalties even when you are just a day late or have paid the incorrect amount. More and more the thinking is that you should outsource your payroll. The fee is nominal for the benefit of outsourcing to experts and they can keep you on track in terms of filing.

It's also more secure for your company to get the payroll function out of the office and into the hands of a professional payroll company. Research shows that payroll payments and payroll tax returns are a common way for bookkeepers to defraud their employer.

Up To Date Records

Tax time will go smoothly if you keep your annual accounting up-to-date. The last thing you want to do is spend time trying to work out receipts for the year and where you have put them. By taking half an hour a week to record everything, tax time runs more smoothly and estimated taxes can be quickly and easily calculated. If you require financials for a bank loan or insurance coverage, the numbers will also be ready for us to quickly prepare them for you.

Many small-business owners do annual accounting records to prepare their tax returns, but that doesn't enable them to know how much money they're making throughout the year. In order to maximize profits, you need to have a clear idea of how the revenue is being spent and what can be cut back. By putting the right processes in place you can increase your profit. We have a number of options including but not limited to TriTec, Xero and MYOB and can assist you with implementing changes so your records are up to date.

Tax Dodgers vs Benefit Fraud

Ask anyone who pays tax what they think of benefit fraudsters and you will get a unanimous reaction – we work hard to earn money and pay tax and someone has effectively “stolen it”. Although this is an important issue to crack down on, Labour and the Greens criticise the (National) Government for spending too much time on this instead of focusing on tax cheats.

The initiative to target tax dodgers has actually been underway since it was announced in the 2010 budget. At this time \$120 million was allocated with the hope of recovering \$5 for every \$1 invested. A further \$78.4 million was allocated in the 2012 Budget. Last year the recovery was \$5.60 per \$1 spent for exposing tax evasion in the “hidden economy” - a total return of \$45 million and for non-compliance through property speculation a whopping \$53.8 million of discrepancies were found, a return of \$8.42 per \$1 spent.

Overall last year Inland Revenue collected around \$4 billion worth of debt and outstanding returns and they are actively encouraging tax payers who are struggling to meet their obligations to contact Inland Revenue and work out a repayment plan. It's always easier to comply on time rather than have Inland Revenue chase you up later.

We have said this before too and will always encourage clients to file their returns on time even if they are unable to pay in full by the due date. This ensures you don't get charged late filing penalties which can be significant. It also means you know the exact amount you owe at any given time and you are then able to approach Inland Revenue with a proposal for paying it off – they are very accommodating if you are up front with them.

Mobile / After-Hours Meetings

We know how hard it is finding time to visit the accountant. Many businesses are run by one or two people and cannot often take the time to shut the business or employ staff to visit the accountant. We here at DAA like to go that extra mile to look after our clients and with that in mind we would like to remind you that we can offer meetings at your premises / home during working hours or even after hours!

Both Kerry and Rachael are available to visit your premises / home to make life easier for you and save hassle in the future. Having your accountant right there means the information they need is readily available for them to check and let you know what else is needed. The bonus of this is that we can complete your accounts quicker and cheaper as we won't have to spend time chasing up missing documents later on.

Our mobile / after hours meetings are provided at no extra cost to you the client! We also service all areas of Christchurch from Sumner to Rakaia, Akaroa to Rangiora and everywhere in between.

If you think you would benefit from Kerry or Rachael visiting you onsite or meeting you after hours don't delay, make an appointment with DAA now and take advantage of our outstanding services.

Bookkeeper Wanted

We have been approached by a business that needs a bookkeeper. The position is a few hours per week and the person must have MYOB experience and be able to visit the premises in Sockburn. If you are interested or know of anyone please get in contact with Kerry.

Bookshelves

We have three white solid wooden bookcases, as pictured below. 110cm wide x 120cm high and 40 cm deep. Priced at \$185 incl GST each.



info@dodd.co.nz www.dodd.co.nz
11 Picton Avenue · PO Box 42113 · Christchurch · 8149

