

Tax Calendar



28 August 2015

GST Return and payment due.

28 August 2015

Provisional Tax instalments due for people and organisations with a March balance date.

19 September 2015

Employer Deductions (EDF IR345) form and payment due.
Quarterly FBT return and payment due.

30 September 2015

GST Return and payment due.



Brent Dickins

Hamish Pryde

Barbara McConaghty

Lois Bond

Jude Dickins

Deanna Anderson

Rebekah Stokes

Trudy Plaisted

Kelly-Jane Pryde

The information contained in this newsletter is of a general nature and should be used as a guide only. Before acting on this information, please consult us regarding your personal situation.

Winter

It was a very interesting month of July!

- It started out bitterly cold and all the roads going north were closed due to snow.
- The rain fell and flooded the region, especially around Whanganui.
- The All Blacks won another tough test in Johannesburg.
- There were more doping issues in athletics.
- The Dairy payout is falling and a way to stop it has not been found as yet.
- Interest rates are also falling steadily.
- A blessing is that the temperatures are now rising and the days are starting to get longer.

It is not long now until the Netball World Cup and the Rugby World Cup.

The New Zealand public have high expectations of winning the Rugby World Cup, playing away from home.

Derek Dilks retired from Chartered Accountancy on 31 July, and it was our privilege to host him and his clients for a celebration. Many of his clients have become close friends and associates of Derek and Colleen over the last 47 years !!

We wish Derek great health, good golfing and much enjoyment in his well deserved retirement years.

We look forward, and are enjoying working with Derek's former clients.

My prediction:

Finalist in the Netball World Cup and winner of the Webb Ellis Trophy!! Go New Zealand !!

And my opinion on the best flag so far:

~ Brent



Staff News

Since our last newsletter, Rebekah has returned from maternity leave and is working three days per week. It's like she never left and hard to believe that a year has gone and their son has turned one!

The practice has grown and we needed another accounting team member. Kelly-Jane has joined the firm. She is a fully qualified Chartered Accountant with a number of years experience and joins our experienced team.

Joke 😊

An elderly gentleman had serious hearing problems for a number of years. He went to the doctor and the doctor was able to have him fitted for a set of hearing aids that allowed the gentleman to hear 100%. The elderly gentleman went back in a month to the doctor and the doctor said, "Your hearing is perfect. Your family must be really pleased that you can hear again."

The gentleman replied, "Oh, I haven't told my family yet. I just sit around and listen to the conversations. I've changed my will three times!"



Budgets and Cashflows

With the dairy payout for the year ahead having a huge affect on our dairy farmers incomes, many farmers have had to sit down and complete a cashflow budget to understand the full extent of the financial issues they may face for the next twelve to eighteen months.

It is a reminder why we undertake budgets and cashflows in business, or what I call "Profit Plans".

1. Why? Knowledge is power. Know how much you have and where you are spending it.
2. Take financial control. It is supporting the decision making process.
3. It is a pro-active approach, and an early warning system for any potential issues.
4. Key Performance Indicators. You cannot manage what you do not measure.



The idea behind the Profit Plan is to inwardly reflect how you make money.

In dairy farming you are often a price taker, and have no influence over the amount received at the farm gate. However there are many things that you still have control over, and the act of preparing a budget is part of working "on the business" rather than simply working "in the business". This is an important concept.

Working IN the business, or on the farm is dealing with today's income or problems only, whereas working ON the business is working on tomorrow's income. By preparing a budget, you are planning to succeed.

The act of undertaking a budget gives you the opportunity to step back and objectively assess the big picture - things like cost of production; and to critically analyse the important aspects of your farming business, to ensure that you make sound decisions, and put in place contingency plans when and where you need to.

Taxing Residential Property Sales

There is new legislation that will take affect for property purchases after 1 October 2015.

In the last Budget, the Government proposed to tax gains from the sale of land sold within two years of acquisition. The rule will apply to residential properties, including holiday homes, sold within two years of acquisition.



The rule will not apply to:

1. Commercial land (including farm land).
2. The main home, the residential dwelling, which includes family homes owned by Trusts.
3. Inherited residential properties.
4. Residential properties transferred under a Relationship Property Agreement, unless the Property is subsequently sold within the two year time period, by the recipient.

This two year rule does not override the current land taxing rules.

It may be that the purpose of this legislation was to curb property speculation north of the Bombay Hills in Auckland, however this legislation will affect everyone in New Zealand, and there are likely instances where people will be caught in unexpected ways.

This is a timely reminder to always check with us on any potential tax consequences when buying and selling property, before the Sale and Purchase Agreement is signed.

Pryde Family Trip to Disney on Ice

Recently we had a family road trip to Wellington for the day.

We took the kids (aged 6 and 4) on the cable car, a quick trip to Te Papa and then to see Disney on Ice.

I really enjoyed the Gallipoli exhibit at Te Papa and thoroughly recommend seeing this.

The Disney on Ice was a slick professional presentation, the kids really enjoyed it; although we had to run the gauntlet in and out past the merchandising stands!

Nobody does merchandising better then Disney and the emotional sell!