

**Tax
Calendar**



28 August 2017

GST Return and payment due.

28 August 2017

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

20 September 2017

Employer Deductions (EDF IR345) form and payment due.

28 September 2017

GST Return and payment due.



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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.

Hear it from Hamish.....
Good – Cheap – Fast



There are a number of things that have been happening lately that have reminded me that you can only get two of the above, never all three. (Although the Ford Model T may be an exception).

If you want something good and cheap it won't be fast; if you want something fast and good it won't be cheap; and if you want it cheap and fast it won't be good.

Let's look at some examples:

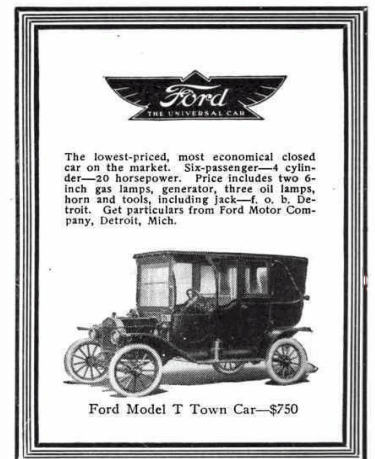
\$5 pizza's come to mind, they are cheap and fast but it's definitely not good. I'm not talking about anyone's particular tastes; the fact is that it's not good for the franchisee whose margin is so squeezed they are likely going broke with every \$5 pizza they are selling. One of the franchisees in Australia had even taken the franchisor to Court over the pricing policy.

Labour has promised an extra ten thousand houses to be built during the first year that they are in Government. On the face of it this is a pretty good idea, but thinking about it, that is more than doubling the production of houses. During the last year 8,000 houses were built in Auckland. At the moment they are struggling to find builders and contractors, and let's not get started about immigration policy! You can't bring these skilled people in. So the possibility might be fast and it might be cheap, but if you build a house super quick without suitably qualified people, I bet it is not going to be good!

There are times when you have to produce something cheap and fast, and maybe that is what the market is actually after. You may be a plasterer, or a boat builder, or a burger maker. There are a number of things that go on in the background and behind the scenes that are part of the process to get to the finished product. It might be three coats instead of two; it may be better welding; it may be a simple meat pattie and cheese burger. But at the end of the day if the market only wants a quick job, and they are only prepared to pay bottom rates, you have to make the decision of whether you meet the market and lower your production standard to suit; or otherwise the only person out of pocket is you – and that is not good!

At the end of the day with everything, from the shoes you wear, the washing machine you buy, your burger you choose at McDonald's, to the car you drive, you could probably only get two of the good, cheap and / or fast. As a purchaser you need to make the decision which two, and as the seller you need to understand which of these two you are providing, does it meet the market; are you in the right market? Once you understand which two you are pursuing, some clarity on your strategic direction will become apparent.

The good, cheap and fast rule applies to everything, and in saying that – nobody ever regretted buying quality.



The move to online retail

The internet is now the number one shopping destination globally, and not surprisingly. For customers, it's ideal. There's no need to get in the car and visit ten shops without finding exactly what you want. This way, it's all in one place and you needn't battle with other shoppers for the nearest and driest car park. We have all become a bit impatient too. Purchases from your phone, tablet or desktop at any hour of the day or night help satisfy the 'I want it now' impulse even if actual delivery is some way off.

If you have a product or service but do not yet offer it online, you could be losing business. In today's world, the sooner you move online, the better.

As with anything, do your research first. Look at other sites and see what works and what doesn't. Shop online, or at least pretend to, and work out which structure might best fit your needs.

Here are a few things to keep in mind if you're taking your business into cyber space.

Google AdWords

These words are a bit like keywords, which can be used to drive traffic to your site. In essence, when you move online, you want your business to appear at the top of the list in any search engine. That's where AdWords can help. If you're not au fait with AdWords, don't fret. There are specialised professionals to help. Simply Google them!

User Friendly

Ensure your site is easy to use. If it's not, those impatient customers could lose their cool and potentially head elsewhere to shop. Think about clear but attractive layouts and easy navigation. Don't overload it with too much text or too many images - just keep it simple. Once again, there are professionals who can help.

Some jokes to brighten your day

What disease did cured ham actually have?

Why is it that people say they "slept like a baby" when babies wake up like every two hours?

If a deaf person has to go to court, is it still called a hearing?

Why are you IN a movie, but you're ON TV?

Why do doctors leave the room while you change? They're going to see you naked anyway.

Why is the person who invests all your money called a "broker?"

If lawyers are disbarred and clergymen defrocked, doesn't it follow that electricians can be delighted, musicians denoted, cowboys deranged, models deposed, trees surgeons debarked and dry cleaners depressed?

Cash or Credit

More often than not, customers will pay by credit card, so ensure you can offer a secure payment option. However it pays to remember that not everyone has a credit card, so also look into offering a direct debit option, as well as bringing in a third party like PayPal.



Talk to your web designer about the options. Take into account the cost of each and remember that if you don't offer it, you could be turning business away.

Keeping up

Ensure you have someone on board with the skills to keep the site updated. This is often an integral team role and can also double as a marketing or graphic design position.

Deliver

Don't over promise and under deliver in such a fast paced environment. If your Instagram or Facebook account says you have something in store, make sure it can also be ordered online. If not, it won't be long before the backlash begins on your social media sites.

Customer Care

It's important that your customers are taken care of. Ensure your site has clear information on shipping, a concise returns policy and contact details so you can be reached.

'The secret of change is to focus all of your energy, not on fighting the old, but on building the new.'

Socrates, Greek Philosopher

Deductibility of Farmhouse Expenses



There has been a change from IRD recently relating to deductions on expenses concerning the farmhouse.

Electricity for the house and Repairs & Maintenance of the Owners Dwelling are impacted by this change.

The IRD believes a more appropriate claimable portion to be 20% instead of 25%.

This applies from the start of your 2018 tax year.