

WBB Newsletter - March 2010

Our Topics:

- **Trusts Update**
- **New Payment Terms**
- **Important Dates**
- **WBB Website and Secure Client Area**
- **Triplejump**
- **2010 Year End**
- **Team Update**



Trusts Update

With application from the 2009/2010 income year, the definition of beneficiary income has been amended to extend the six month period within which a trustee must allocate income. Effectively this allows trustees twelve months from balance date to allocate income as beneficiary income (assuming a 31 March balance date).

Many deeds presently stipulate that income should be accumulated to capital if not allocated within six months of year end. In order to update this clause in the Trust Deed many trust's will require a Deed of Amendment to be prepared and in some cases will also require a Settlor's Written Approval as well.

We will be looking at all our client's trust deeds over the next few months and contacting you with our recommendations.

If you wish to discuss this further please call Josie Taylor on DDI: 09 486-5861. Otherwise we will be in touch with you.

New Payment Terms

As a courtesy to our clients we have tried to price our jobs up front because we think you deserve to know in advance how much the job will cost. We intend doing this with all our jobs going forward and will be preparing Fee Agreements for your approval and sign off before we start the job.

We have undertaken to change our payment terms this year and advise that we will now be asking for 70% of your fee up front before the job is started with the balance of 30% due on completion of the job. If you wish to discuss these new arrangements, please call Toni Klyn on DDI: 09 486-5866.

To accomplish great things, we must not only act, but also dream, not only plan, but also believe.



Anatole France



Important Dates – Terminal Tax

2009 Terminal Tax – 2009 terminal tax is due for payment on the 7th of April 2010. Payment advice letters will be posted shortly so that you have plenty of time to arrange this payment. If you have any concerns or wish to discuss, please contact us.

3rd Instalment of 2010 Provisional Tax – the 3rd instalment of Provisional Tax for the 2010 tax year for most clients will be due on 7th May 2010. For those clients that are GST registered, you will pay your Provisional Tax at the same time as you pay your March 2010 GST, on the single GST and Provisional Tax Return (GST103) which is due 7 May 2010. We will be in contact with you to discuss provisional tax payments (if required) during early April.



Don't let what you can't do
interfere with what you can
do.

Anonymous

WBB Website and Secure Client Area

Our website is officially up and running and we hope you have taken the opportunity to have a look www.wbb.co.nz. You can find out more about the people at WBB and the other services we can offer you. On the website we have a "Secure Area" for clients. Once you have registered for a secure area login we set you up with a password which gives you access to information specific to you. You will find copies of signed Annual Accounts, Engagement Letters, Fee Agreements, Budgets etc specific to you. You can also use this area to safely and securely send documents and accounting datafiles to us. Once you have requested a Login we will contact you and provide you with everything you need to know about how to use the Secure Area. Please give Joanne Mason, our website administrator a call to discuss further on 09 486-7020.

The future is not a gift –
it is an achievement.



Harry Lauder

Triplejump

Your business is a valuable economic tool in your family's lives. It must be protected against unforeseen events.

As part of good business practice we believe it is important for our clients to ensure that they have considered the impact of Human Capital Risk in their business and have structured a robust plan to protect the solvency and value of the business and the livelihoods of family.

WBB have recognised a client need in this area for some time and we are pleased to now offer a comprehensive risk solution for our clients. WBB is now a partner in Triplejump Takapuna. Brett Bell-Booth, an experienced risk practitioner (CA + LLB) is available to assist our clients understand their human capital risk and develop solutions to ensure peace of mind. Please give Brett Mathers a call to discuss how we can help further on 09 486-5872 or have a look at the Triplejump website www.triplejump.co.nz.



“I can’t do it” never accomplished anything; “I will try” has performed wonders.



George P. Burnham

2010 Year End

Welcome to another financial year close off.

To help finish off the year we have detailed below a list of things to do before 31 March, on 31 March, and soon after 31 March.

If you have more than one business, please follow these instructions for each entity.

BEFORE 31 MARCH 2010

Bad Debts

It is time to review your Debtors Ledger for bad debts. To claim a deduction for bad debts, the defaulting accounts **MUST** be written off your Debtors Ledger prior to the 31st March 2010.

It is not merely enough to actually reduce the amount of the debtors after balance date by the amount of estimated bad debts or unrecoverable amounts owing.

Fixed Assets

Review the fixed asset register for items that have either been sold or scrapped during the year.

Repairs & Maintenance

Remember that all assets costing less than \$500 (GST exclusive) may be claimed as an expense in the year of purchase.

Structures & Financing

It may be time to consider an alternative structure or financing method for your business. Now is the time to consider Companies, LAQC's and Trusts. If you are interested please contact us.

ON 31 MARCH 2010

Trading Stock

Your stock (including work in progress) must be counted, recorded and valued at 31 March 2010. The trading stock rules require that you value at the **lower** of cost or market selling value (market selling should allow for obsolescence). Remember to exclude GST from your calculations and prepare a written record of your stocktake.

Stock value less than \$5,000.00

- if your total gross income for the year is \$1.3 million or less, and
- you can reasonably estimate your stock on hand at 31 March 2010 to be less than \$5,000 (excl GST), you can choose not to value your closing stock or to include any change in value.

Holiday Pay & Wage Reports

Some wages software packages do not allow for printing reports subsequent to 31st March, so ensure you have the reports printed as close to the end of the month as practical.



SOON AFTER 31 MARCH 2010

Year End Bank Reconciliations

If you have a computerised cashbook, when you receive your bank statement for 31 March 2010, ensure all transactions are entered for the year and perform a bank reconciliation to this date being 31 March 2010 and print a hard copy for your records.

PAYE Payments Due 5/20th April 2010

If you are planning to pay out Directors Fees or additional salaries to either your employees or shareholder employees, you will need to pay to the IRD the PAYE content of the payments by the 5th or 20th April, 2010.

RWT Payments Due 20th April 2010

If you are planning to pay interest on loan accounts you will need to pay to the IRD the RWT content of the interest by the 20th April 2010.

3rd Provisional Tax Instalment Due 7th May 2010

The final instalment of 2010 Provisional tax is not due till after the end of the year. While this may be great for cash-flow, it could have negative implications if you want to pay a dividend this year. If you think this affects you, please discuss any concerns with us.

PREPARATION OF YOUR 2010 ANNUAL FINANCIAL STATEMENTS & INCOME TAX RETURNS

Our 2010 Annual Checklist(s) are available on our website at www.wbb.co.nz under the "Tools and Resources" tab, "Checklists". These need to be completed and signed before we process your 2010 information. The accuracy and completeness of this information you provide has a direct influence on the time required to perform your assignment. When you are ready to deliver your records to us please remember to include the completed and signed checklist(s). If you do not have access to our website and require a copy of the Checklist, please give us a call and we will post out to you.

He who is not courageous
enough to take risks will accomplish
nothing in life.



Muhammad Ali

Team Update

We are pleased to advise that two new people have joined the WBB team. Paula Randell and Nicola Crawford started with us on the 2nd of February 2010. They both come with a raft of great administration experience and have assumed two new Client Service Administrator roles at WBB. Both Paula and Nicola will assist our accounting team by looking after administration tasks the Accountants would ordinarily have performed. This frees up our Accountants to spend more time with our clients. Look out for these ladies on the telephone, they will be calling soon to arrange annual interviews, book appointments and chase work in.

Regards

Phil, Lewis, Brett, Josie and the Team

