



Above: New WHK Queenstown premises from 19 October 2009

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anywhere, any time...

WHK IN THE COMMUNITY

WHK occupies a unique place in the communities of Southland and Central Otago. Our size and geographic spread, together with our Principals and staff of approximately two hundred, who encompass a wide range of skills and services, place us in a special position to assist a large number of not-for-profit bodies within our region.

In the last twelve months WHK have supported in a major way, both financially and with expertise, seventeen not-for-profit bodies in our region, including the Heart Foundation, sporting organisations such as Southern Steel Netball and Southland Stags Rugby, Southland and Otago Cricket Associations and others. We have assisted philanthropic organisations such as Rotary Clubs, Koru Care, CETA and many more. In addition to this, there were some thirty smaller donations of money and time to other organisations in our region.

Of note, as well as the financial contribution the firm makes, the great levels of financial and business acumen contained within the firm are often utilised by these organisations to help them with their governance and financial management. The firm makes this time available free of charge. Principals and Staff of the firm sit on many boards of not-for-profit bodies and act as advisors to many more.

WHK are proud to support these organisations and have made an ongoing commitment to do so.

Name change

As advised in our previous newsletter, our firm is now simply known as "WHK". You will notice a "soft launch" over the next couple of months, whereby the re-branding will remove all remaining signage and stationery. Our website is already up and running, please take the time to have a look at this at www.whk.co.nz.

Premises

On 16 October 2009, both the Athol and Stanley Street offices in Queenstown will be closed. This is the date scheduled for the combination of these offices in Queenstown. On Monday, 19 October, we will reopen our new premises in the Te Ahi building, 13 Camp Street, (formerly the site of the Post Office). To our Queenstown and Central Otago clients, please feel free to come in and have a look at the premises. Our staff have been looking forward to being under one roof and two years after the merger will finally have a new home.

Regards
Phil Mulvey
CEO

better advice
for a better life



ACHIEVEMENTS

NZICA ANNUAL MEMBERSHIP PRESENTATION

On Friday, 28 August 2009 the Southland Branch of the NZICA held its annual Presidential Dinner with eight of the twenty recipients being employees of WHK.

We congratulate our staff on the formal recognition of many years of hard work and study and look forward to their ongoing career development with our firm.

Staff who received their membership certificates are above from left: Kaye Anderson (Associate Chartered Accountant), Robyn Ironside (Accounting Technician), Amanda Thomson (Chartered Accountant), Melissa Stenton (Chartered Accountant), Mark Hamilton (Chartered Accountant) and Greg Bowie (Chartered Accountant).

Other recipients on the night were Jaime McFarlane (Chartered Accountant) and David Payne (Chartered Accountant)

CETA TOP SCHOLAR AWARDS

WHK in conjunction with the Southland Branch of the Commerce and Economics Teachers' Association, presented the Top Scholar awards at a function held in the WHK Boardroom on Tuesday, 1 September 2009.

The purpose of the awards is to recognise academic excellence in NCEA for 2008 Accounting and Economics Levels 1 - 3 and Information Management Level 1.

This year twenty-nine nominations were received from Southland schools, with eleven Top Scholar awards being presented. Each nominee received a certificate recognising their achievement with each Top Scholar recipient receiving a financial reward.

This is the second year our firm has been the sponsor for these awards and we look forward to our firm's ongoing involvement.



AWARD ACCOUNTING Above from left: Christopher Thomson, Finalist Level 1 (CSC), Braden Smith, Finalist Level 2 (CSC), Megan McDonald, Top Scholar Level 2 (SGHS), Sarah Jones, Top Scholar Level 1 (JHHS), Matt Taylor, Finalist Level 3 (WHK Trainee), Nicole Hodson, Finalist Level 2 (JHHS).



AWARD ECONOMICS Above from left: Matt Taylor, Finalist Level 3 (WHK Trainee), Jeremy McAlister, Finalist Level 1 (CSC), and Brooke Flett, Recipient of the Top Scholar Award Level 2 (SGHS).

RESIDENT WITHHOLDING TAX

We have mentioned previously that the rates of resident withholding tax (RWT) are due to change from 1 April 2010 and that these rates will be 12.5%, 21%, 33%, and 38% for individuals, depending on the recipient's personal tax rates. These rates will generally apply from 1 April 2010. The current rates of RWT range from 19.5% to 39%.

The new default rate increases from 33% to 38% and applies to new accounts opened from 1 April 2010, or from 1 April 2011 for people with bank accounts in existence as at 1 April 2010. The default rate is applied to accounts where no IRD number has been supplied, or where a RWT rate has not been elected. It is set at the highest personal tax rate to encourage compliance.

Make sure you re-elect your RWT rate at your bank by 1 April 2010, otherwise too much RWT might be deducted.

TAX AUDITS

The word has gone out: the Government needs more money. Consequently, more tax audits will be undertaken by the IRD. Recently, the IRD announced that its audit staff will focus on:

1. Intangible property;
2. Loss companies charging an inflated management fee to the profit company;
3. Structuring income to maximise eligibility for working for families tax credits or decreasing obligations for student loans or child support;
4. Diverting income from personal or professional

services (in particular, "the use of company and trust structures to avoid higher personal tax rates can be tax avoidance");

5. Structuring to avoid associated persons rules; and
6. Offshore tax havens (for example, moving profits out of New Zealand through management fees and interest to a controlled foreign entity).

TAX LOSSES

Business losses are a fact of life in the current economic climate. Given that a loss has been incurred, that loss is now valuable to either carry forward to offset against future income or offset within a group of companies.

Alas, the benefits of tax loss planning, including preserving the future value of any losses, is underestimated by many taxpayers and accountants alike. As a result losses are "put aside" to be used "one day".

This approach has two main problems:

1. The risk that the loss will be "lost". This can occur through the change in shareholding in companies and death of an individual with losses to carry forward; and
2. Missed opportunities to utilise losses either earlier or at a higher effective tax rate.

It can be rewarding to be proactive with the management of losses.

If you require specialist tax advice in respect of the above or other matters, please contact Murray McClennan or Tim Searle at (03) 4501888, or Robyn Pullar at (03) 2113355.

PAYROLL AND THE HOLIDAYS ACT

- Understanding Holiday and Leave Entitlements

Janet Copeland Law and WHK tackle the Holidays Act 2003 head on in October!

What are employees entitled to and how is their entitlement calculated?

Attendees will cover key areas in the Holidays Act to answer vital questions including:

- How should relevant daily pay be calculated?
- Must all employers keep records?
- When can holiday pay be paid with employees' wages?
- Can employees "cash up" or "forfeit" annual holidays?
- When is Southland/Otago Anniversary Day?
- Can we ask for a medical certificate?
- What common risks might employers be exposed to?
- How can a Payroll professional assist?

All attendees receive a seminar booklet and guidance on

practical examples including recommended approaches to possible scenarios. So come prepared with questions and a calculator and we can practice working it out together!

Register now by emailing Bridget.Carter@WeAreHR.co.nz or calling us on 03 211 0153 - mark the date in your diary now! (All seminars are from 9:30 am to 12:30 pm)

Seminar One (Invercargill)	Thursday 15 October
Seminar Two (Gore)	Friday 16 October
Seminar Three (Queenstown)	Thursday 22 October
Seminar Four (Te Anau)	Friday 23 October
Seminar Five (Wanaka)	Thursday 5 November

Janet Copeland Law
employment lawyers

62 Deveron St, Invercargill T: 03 211 0153
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QUICKBOOKS NOW AVAILABLE ANYWHERE, ANY TIME...

QuickBooks Online QBi series is the next generation of the world's best selling accounting software. It gives business owners the power to enter invoices and receipts, track expenses and payments, manage inventory and review reports via the Internet.

QuickBooks has responded to demand for an online accessible version of their software - and rather than simplifying the features to enable online use, it retains all of the advanced features existing users are familiar with - plus your existing data can be uploaded into the online version.

With QuickBooks Online, users turn their Internet browser into live accounting software.

Fully functioned product:

QuickBooks Online is the same product as QuickBooks Enterprise - the 'flagship' version of the highly successful program. This means online access includes features such as:

- Easy to use invoicing/expense tracking
- Full profit & loss/balance sheet reporting
- Multi-user accessible
- Estimates & quotes
- Budgets & forecasts
- Time & mileage tracking
- Customised price levels per customer

All data is secure:

Data is hosted at the Reckon Data Centre in Sydney. Backups are taken every hour of every day. The security systems used are the same as many banks' internet banking software.

No additional software is required - this means no downtime in the event of computer failure, merely use an alternative computer connected to the internet.

Anywhere, any time:

Work from home, in the office, on a borrowed computer, in an internet café, etc.

1- 50 concurrent users - no need to share computers or install specific software.

Ease of support - you can allow your accountant or trainer to log on to assist/review accounts etc.

Pricing:

Pricing is per user (multiple companies are free of charge) \$299 inc GST for the first year.

\$29 inc GST monthly thereafter (for a 12 month term).

Clients will need to have their datafile upgraded to QuickBooks 2009-10 Enterprise to enable online access. AccountAbility are able to assist with this upgrade process.

For further information on this exciting development, please speak to your local AccountAbility consultant on either Invercargill (03) 211 3355, or Queenstown (03) 450 1888, or see www.quickbooksonline.co.nz



AccountAbility
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