

# Autumn 2022 Newsletter



**31<sup>st</sup> March**  
**IRD deadline**



**100% filed**

Once again we achieved our filing target with IRD.

As an agent acting on your behalf we are required to have 100% of our clients tax returns filed by 31<sup>st</sup> March each year.

**"Thank you"**  
**to you all for playing your part**  
**throughout this process**



**Easter break office closure:**

**Closed** Thursday, 14<sup>th</sup> April at 3pm

**Reopen** Wednesday, 20<sup>th</sup> April at 9am



**to Michael**

25 years as a member of the Chartered Accountants NZ,  
and  
obtaining his **Public Practice Certificate**.

**and to Charlotte**

obtaining her **Public Practice Certificate**.



**Want to**  
**pay**  
**monthly?**

**make life easier!**

We have annual monthly payment plans available for all your services required, being bundled together and then divided by 12 equal payments.

Contact [Kelly@sgca.co.nz](mailto:Kelly@sgca.co.nz)

**Tax Dates Due:**

**Terminal tax**

7 April 2022

**Provisional tax & AIM instalments**

7 May 2022

**GST payments**

7th May 2022

**Provisional tax / GST payments**

28 June 2022

We recommend you pay on or before the due dates  
to avoid penalties or falling behind.



You must keep records of all your PAYE deductions, which include

- **Wagebook** information
  - Copies of **PAYE payment** information
- **Tax code declaration** (IR330) forms completed by employees
- **Tax rate notification** for contractors (IR330C) forms completed by contractors
  - **Letters from IRD** requesting any changes, etc
- A copy of any **written agreements** to treat a payment to a contractor as a voluntary scheduler payment that you make a deduction from
  - Copies of **certificate of exemptions**
    - Copies of **tailored tax codes**
  - Copies of tailored **tax rate certificates**



## Increase 1<sup>st</sup> April 2022

## Adult Minimum Wage

Increased from \$20.00 to **\$21.20** per hour.

## Starting-out and Training Wage

Increased from \$16.00 to **\$16.96** per hour.

### Employees under 16 years of age

There is no minimum wage for employees under 16 years of age, but all the other minimum standards and employment rights and obligations apply.

Check your systems and processes.  
Update and check your payroll system.

Documents that are useful for  
lending, budgeting, legal  
requirements, etc.

## Financial Statements

These are formal records that convey the business financial activities and the financial performance of a business, person or entity for an annual period. Financial Statements include Balance Sheet, Income Statement and Cashflow Statements.

## Balance Sheet

The balance sheet provides an overview of assets, liabilities and stockholders' equity as a snapshot in time.

## Income Statement

The income statement primarily focuses on a company's revenues and expenses during a particular period. Once expenses are subtracted from revenues, the statement produces a business' profit figure called the net income.

## Cashflow Statement

The cashflow statement (CFS) measures how well a company generates cash to pay its debt obligations, fund its operating expenses and fund investments.

## Profit & Loss Statement

This provides you with an overview of your business revenues, costs and expenses over a given historic period of time.

## Cashflow Forecast

Forecasting allows you to take your historic cash numbers and project them forward in time. You can see where the cashflow holes may appear in weeks or months in advance.

## Employment Contracts

If your employment contracts are not current or haven't been reviewed in a while, then now is the time to do it.

If you need to prepare a contract,  
then please visit –

Employment Agreements, made easy  
eab.business.govt.nz/employmentagreementbuilder

## Standard NZ Super Rates (for tax code 'M')

Qualifying as	Weekly rate	Annual rate
Single: living alone	\$463	\$24,073
Single: sharing	\$427	\$22,221
Married, civil union or de facto couple: one partner qualifies (and the other is not included)	\$356	\$18,518
Married, civil union or de facto couple: both partners qualify	\$712	\$37,035
Married, civil union or de facto couple: one partner qualifies and the other is included	\$677	\$35,202



# Paying your tax & Kiwisaver

**TOP  
PRIORITY**

If you are new to business, or know someone who is, or are slack with dealing with the IRD, then please take note...

As a business person, paying the taxes to IRD is your absolute obligation.

## Income Tax

This is just like PAYE while you are employed, it is your contribution to society and running of the country's finances, health and education infrastructure, etc.

## GST

As above, but you are collecting this on behalf of the government and must pass it on.

## PAYE

As above for income tax, but it is on behalf of your employees.

## Kiwisaver

This is your contribution and on behalf of employees and is only administered by the IRD. You absolutely must pay this on as it belongs to the employee.

Failure to pass the **PAYE & Kiwisaver** on to IRD after deducting it from employee wages is seen as theft by the IRD, and you could be prosecuted or get a prison sentence.



## Sick Leave

This is paid time off from work and relates to health-related purposes only.

Sick leave kicks in after **6 months** employment.

Employees are entitled to **10 days** paid sick leave each year.

The unused sick leave from the previous year is carried over into current year.

The maximum accumulation is **20 days**, although this can be more at the employer's discretion.

Unused sick leave cannot be paid out.

Employees can use sick leave to care for a sick or injured spouse, partner, dependent child or dependent individual.



**You ALWAYS  
have a choice**

Harvey Specter

**Do you know that you can pay your  
provisional tax every two months?**



**Provisional tax** is calculated in conjunction with your GST Returns, based on the activity in that two month period.

**Using AIM  
will suit your business if –**

- Your business is growing
- You are making profit
- You are new to business
- Your income has reduced significantly since last year
- You have irregular or seasonal income
- It's hard to forecast your income accurately

You can ask more and/or sign up for AIM at any time.  
Ask and sign-up with Steve, Carli, Michael or Charlotte



**Have fun doing it!**

Slow down, find time, and  
work more efficiently.

## A boy asks his dad a simple question that puts family time in perspective.

### A beautiful story on family priorities

SON: "Dad, may I ask you a question?"

DAD: "Yeah sure, what is it?"

SON: "Dad, how much do you make an hour?"

DAD: "That's none of your business. Why do you ask?"

SON: "I just want to know. Please tell me, how much do you make an hour?"

DAD: "If you must know, I make \$100 an hour."

SON: "Oh!" (With his head down)

SON: "Dad, may I please borrow \$50?"

The father was furious

DAD: "If the only reason you asked that is so you can borrow some money to buy a silly toy or something, then you can go to your room and think about it. I work hard for the money I earn."

The little boy quietly went to his room and shut the door. The man sat down and started to get even angrier about the little boy's questions. After about an hour or so, the man had calmed down, and started to think, as he didn't ask for money often, so got up to go talk more.

DAD: "Are you asleep son?"

SON: "No Dad, I'm awake"

DAD: "I've been thinking, maybe I was too hard on you earlier and I'm sorry. Here is the \$50 you asked for".

The little boy sat straight up, smiling.

Then, reaching under his pillow he pulled out some crumpled up bills. The man saw that the boy already had money, and started to get angry again. The little boy slowly counted out his money, and then looked up at his father.

DAD: "Why do you want more money if you already have some?"

SON: "Because I didn't have enough, but now I do."  
"So, can I buy an hour of your time now?"



Michael, Julie, Shirley, Kelly, Steve, Charlotte, Jeanette & Carli



#### Disclaimer

This publication has been carefully prepared, but it has been written in general terms only. The publication should not be relied upon to provide specific information without also obtaining appropriate professional advice after detailed examination of your particular situation.

Please contact us if any of the content is of interest to you or would like to know more.

## 31<sup>st</sup> March is your stocktake done?



### Do you want to know your tax position earlier this year?

You are welcome to provide us with your information now

or

Our engagement letter, checklist & quote are to be emailed soon, with the month required in

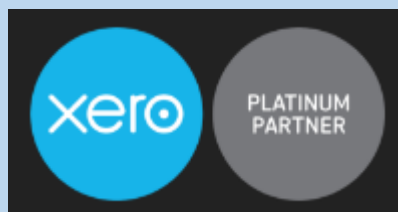
### Help us to help you



The last couple of years we have all witnessed just how quickly our lives can change.

### Has your situation or details changed?

(contact details, situation, structures, etc)



Need help with Xero?

We can help. Just ask us.

T: 07 871 3430  
E: [admin@sgca.co.nz](mailto:admin@sgca.co.nz)  
W: [www.sgca.co.nz](http://www.sgca.co.nz)

Postal Address  
8 Teasdale Street, Te Awamutu

Weekly Office Days  
Tues, Weds, Thurs  
9am – 3pm

Remote Days (from home)  
Monday & Friday 10am-3pm