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THIS ISSUE

Points of interest:

- Kids can get the \$1,000 Government kickstart grant if they join KiwiSaver
- Novadown Fashioned Feathers, Wearable Art Awards success
- Lindsay Dey is a proud new Granddad and is off to London and Italy
- The Ministry of Labour is advocating working smarter, not harder and is prepared to help
- Solution to PAYE hassle is at hand with SmartPayroll
- Mike Sinclair back from his European adventure and has lived to tell the tale
- Electronic filing of company annual returns mandatory

THINGS I HATE ABOUT MOTHER - PRIZE DRAW!!

We have recently been invited to be involved in a new play being showcased in this years Otago Festival of the Arts. The Play is called *Things I Hate About Mother* and was created by playwright: Sarah McDougall, who most recently has been acclaimed for *Hairway to Heaven*.

Things I Hate About Mother is an astute comedy about maternal relationships, family traditions, life, love and everyday tensions. The play is directed by Julie Edwards and choreographed by Caroline Claver, with film by John Irwin.

Things I Hate About Mother runs from the 3rd - 5th & 7th - 12th of October at 8pm in the Dunedin Public Art Gallery. Admission is \$22/\$30. As a major sponsor, Impact Consulting has some double passes to the premier on the 3rd of October to give away. Those clients that get their new engagement letters signed and returned before the end of September will go into the draw to win a double pass.

If you would like any more information, please contact our office or contact the Otago Festival of the Arts at email: info@otagofestival.co.nz or phone (03) 477 7600.



Top: Sarah McDougall's new play opening 3rd October

Above: Lindsay Dey, Sarah McDougall and Ewan McDougall at the 2008 Otago Arts Festival Launch.

KIWISAVER FOR KIDS!

With no minimum age to join, the savings incentives attached to KiwiSaver NZ make it a great way to put aside money for your kids' future. The funds will be locked in until age 65 but some amounts can be accessed earlier in certain circumstances, such as buying a first home. They'll need an IRD number before joining. You can apply for one using an IR594 form, downloadable from the [Inland Revenue website](http://www.inlandrevenue.govt.nz).

KiwiSaver members under 18 can still receive the \$1,000 kick start to savings provided by the Government. They'll also receive the subsidy towards scheme fees of \$40 per year. Once they turn 18 they'll be eligible for tax credits matching contributions made to their account.

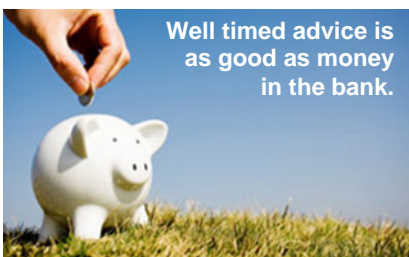
Starting early, compound interest and regular savings can do more than you think. The table shows how an account balance could grow with different contribution amounts.

Years	No contributions	\$20 / month	\$40 / month
5	1,338	2,728	4,118
10	1,791	5,040	8,290
15	2,397	8,135	13,873
20	3,207	12,276	21,345

* Assumes savings earn 6%p.a. net of fees and tax

Both of these methods allow relatives (such as parents or grandparents) to make a KiwiSaver contribution on behalf of the account holder.

Some providers don't require any initial contribution for anyone under 18 or ongoing contribution. Although should they start working (part-time job) and be paid through the PAYE system then 4% of their pay will be deducted. If at this point they have been a KiwiSaver member for 12 months or more they can apply to IRD for a contributions holiday for up to five years and re-apply again after this for a further five years should they wish to.



HIDDEN TALENTS



Our resident design consultant recently pushed out of his own comfort zone to enter the 2008 Novadown Fashion Feathers Wearable Arts show that was held in the Otago Museum at the end of July. With no previous experience in fashion and only a little technical help, Joshua Bruce created something quite wonderful.

His design was based on the concept of creating an elegant and potentially commercially viable alternative to the standard 'sleeping-bag dressing gown' - a common sight in most cold student flats. Josh surprised us all with his 'feathered form' robe which drew inspiration for the New Zealand's own mountain parrot, the Kea.

Josh's design utilised high lofting goose down and micro fleece. It also featured thumb loops, wrap around waist belt, pocket and hood with built in head phones (removable for garment cleaning) which added to its uniqueness. Josh was honoured with third place overall in a very well attended fashion show, earning a lot of respect from all of us and a fantastic prize from Novadown.

MOTOR VEHICLE LEASING

If you are thinking about leasing a vehicle you need to do even more research than when buying. Leasing is more complicated than buying, but once you understand the principles and terms used, you can negotiate a great lease agreement.

Some of the advantages of leasing a vehicle are that you can upgrade to a newer vehicle more frequently, you pay less up front and on monthly payments than you would with a loan, and because the car is frequently upgraded, repair costs are generally lower. On the down side, a strict maintenance schedule needs to be adhered to and any minor damage needs to be repaired to keep the car up to the standards of the lease agreement.

One very important issue to understand before you get into any lease is how many miles you are realistically going to drive and how that will affect your lease. Any lease will have a given number of miles or kilometres that you can drive in one year. If you go over this mileage allowance, you are likely to be stung badly by fees at the end of the lease so, if you drive a lot, it is a good idea to negotiate a higher mileage allowance at the outset.

Remember, just like buying a car, nearly everything is negotiable. It is a great idea to talk to a few companies and compare lease agreements. Some things to look out for are the prices set on the capitalised cost, and the residual value of the car i.e. the expected market value of the car at lease end. The capitalised cost is the primary figure that your lease payments will be calculated on. The residual value is also important, and should always be discussed - remember the greater the residual value the less you will pay for the lease. Other factors to look into are early termination penalties if you want to cancel the lease early, the details of the contract regarding maintenance and services, what is considered excess wear and tear and if the lease is an open or closed end lease.

Open ended leases are rare and you should be wary of them as they allow the residual value of the vehicle to be set at the end of the lease rather than the beginning. If this market value is lower than was anticipated at the beginning of the lease the lessee is expected to pay the difference. A closed end lease sets the residual value in the beginning and it is fixed. Whether or not the lessee decided to purchase the vehicle at the end of the lease has nothing to do with whether or not the lease is open or closed ended.

There are many important details in a leasing contract and it pays to shop around and talk to as many people as possible. There are more important factors than simply the affordability of the monthly payments and it is important to take the time to make an informed decision. See below to help you prioritise whether you would like to lease or buy, or if you're still unsure, feel free to give us a call.



LEASE OR BUY?

You might...

Lease

- If you want the latest model car, and plan to upgrade again.
- If you don't want to tie up a lot of cash in a vehicle.
- If you'd rather invest your money elsewhere.
- If you prefer renting to owning.
- If you drive an average or below average number of kilometres in a year.
- If you want you want to have your car as a tax deductible expense in your business rather than depreciating it as an asset on your books.

Purchase

- If you want to keep your vehicle for a longer period of time.
- If you don't always keep your vehicle in top condition.
- If you want to build equity in your vehicle.
- If you are building a good credit history.
- If you don't always want to be making car payments.

TENNIS REVITALIZATION



Currently Impact Consulting & Accounting is undertaking Phase II of a major business modelling project for Tennis New Zealand .

Tennis NZ has recently undertaken a significant restructuring of their sport, moving from 25 independent provincial associations to a 6 region structure (Northern, Auckland, Waikato-Bays, Central, Canterbury and Southern). This bold move has led to the ability to more effectively deliver nationwide initiatives and in association with other forward thinking revitalisation activities, will have significant benefits for Tennis over time.

As one of New Zealand's largest participation sports, Tennis is an important element in the New Zealand sporting environment. The main objective of our involvement is to assess the level of investment required to implement the strategic initiatives determined in Phase I of the revitalisation project and to develop a business model / funding strategy that addresses the anticipated funding shortfall.

This is just one of the recent opportunities that the formal merger of Lindsay Dey Accounting and Impact Consulting Ltd has opened up, enabling us to more closely link our financial expertise and sporting sector involvement.

NEW FACES

Recently we have had two new additions to our team, Catherine Bowden have taken over the role in Reception and Alison English has joined our Accounting team part-time. We would like to wish a warm welcome to them both!

Catherine has a background in 17 years of teaching Accounting and Economics in Wellington and Dunedin and spent several years at Queens High School. Since 2002 she has had a change of career path and has been working towards her Master of Public Policy degree.

Alison English is a Chartered Accountant and a mother of two. She has come from another accountancy firm which was based in Dunedin. Alison has worked in accountancy for a number of years with a large part of her time spent working overseas. She is involved in a variety of sporting groups in Dunedin through her role as either Treasurer, coach or both!

LINDSAY'S A PROUD NEW GRANDAD!

On Sunday the 7th of September, Lindsay and Hazel Dey were very excited to discover that their London based daughter, Alana, had given birth to their first Grandson, Arnold Ferguson O'Neill.

With the help of modern technology Lindsay has been lucky enough to receive photos and a live Skype video link, however nothing beats the real thing, so Lindsay and Hazel are off to London on the 23rd of September for some quality Grandparenting time (and a quick trip to compete in the World Duathlon Champs in Italy!).



WORKPLACE PRODUCTIVITY

New Zealand has very low levels unemployment and we have one of the highest percentages of population working over 50 hours per week (second only to Japan). With talk of economic recession slowly working its way in to dinner conversation there is a definite need to move forward but there is only so much time in the day and people in the work force.



The answer is, of course, productivity. This does not necessary mean that New Zealander's are slack, in fact we have an excellent reputation for our work ethic. The problem is more systemic than that, which is great because once we can identify it we can fix it.

One of this issues that is vitally important is up-skilling and motivating staff. Long gone are the days that we can afford to do things the hard way. Efficiency requires skill and motivation and the department of Labour has recognized this and is putting a great deal of effort into helping employers recognize where there are areas for improvement and providing facilities to make those improvements.

<http://www.dol.govt.nz/workplaceproductivity/> is a website set up to give free information and assistance on improving productivity. This website covers issues such as building better leadership, organizing work, networking, collaborating, investing in people and skills, encouraging innovation, creating a productive culture and measuring it.



Photos from Mikes recent Europe and Britain Trip



NO MORE PAYE paperwork hassle!

Sick of PAYE paper work and payroll hassle, but still want to maintain control, SmartPayroll might be the solution...

SmartPayroll is a cost effective payroll intermediary specifically designed for small business.

The system removes the time consuming aspects of processing payroll, through automatically making payroll calculations for you and electronically filling all your PAYE schedules.

It is automatically updated with tax rate changes and will calculate and all Kiwisaver, child support, student loan and other deductions.

Once setup, essentially all you have to do is select the payroll period, check the totals and approve for payment. You only have to enter hours worked if you have part-time or waged staff.

As an highly secure online system, you can process your payroll in minutes, from anywhere with an internet connection.

Once approved payments are automatically processed via ASB / your bank so your staff and the IRD always receive their payments on time.

Best of all you have more time to focus on other things and your payroll staff have less hassle and more productive time available.

We were impressed with the product and its benefits and hence have included this article as something that we believe could enhance you business. If you would like a demonstration or us to pass on some more information please call Josh (03) 4778777 or email josh.bruce@impactconsulting.co.nz.



SMARTPAYROLL

NO MORE PAYE paperwork hassle!

PLANES, TRAINS AND... more trains!

Mike Sinclair recently took himself off for a month long tour of some of the greatest train lines in Europe and Britain and has lived to tell the tale.

He tells his family that the trip was principally to attend the Wedding of his niece in Scotland, but those that know him best are not surprised that most of his photos are either of, or from, various steel snakes that crisscross the countryside.

Mike's extensive train trip took him first to Switzerland, then north into Germany, and west to France. From Paris he travelled up to London and the on to Inverness.



It was Inverness that tempted Mike off trains long enough to attend the Inverness Highland Games. From Inverness he travelled, by train of course, to the wee town of Wick from where he ventured to the old Sinclair Castle. From Wick, he returned to Inverness, and Kilt clad, he enjoyed a fine 25° C Scottish day and the wedding of his niece, Kirsty, to her fiancé Paul.



Not one to stay in one place too long, it was then off to Dufftown, then Aberdeen, Arrochar and Oban and to Edinburgh. Home by way of London and Dubai, Mike finally reached Dunedin once more. Welcome back Mike, we're glad you had a wonderful trip!

Text before you Buy!

TXTB4UBUY is a new service provided by the Personal Property Securities Register to check if money is owed on any vehicle. This great service allows you the convenience of checking any vehicle providing you have the vehicle's Registration Number, VIN number or Chassis number.

The service costs \$1 and text messages can come from any cell phone. Simply text any of the relevant numbers, to F-I-N-D (3463) and you will received a Yes or No answer as to whether there is a registered interest matching the vehicle. You can text all or one of the relevant numbers, separating them with a question mark in the text. For full instructions visit <http://www.ppsr.govt.nz/cms/searching-the-ppsr/txtb4ubuy>

If a registered security interest exists, it could mean the person who is owed could reposes the vehicle from you as part of a repayment of debt.