



Why do beans count?

MAY 2010

Welcome to the second issue of the BRG Newsletter for 2010. We hope you enjoy some of the interesting and informative topics in this month's newsletter. If you would like to receive this newsletter by email, contact us by email on support@busres.co.nz

Strategies for improving times

There are signs of business improvement. This will assist smaller businesses all over New Zealand, as long as there are no major problems in overseas markets.

However, growing pains during the recovery period may cause severe problems for some businesses. For instance, if you are using borrowed money, it might be wise to factor in the impact of rising interest rates on your business.

Some key strategies include;



Cashflow and debtor management - Cashflow management is extremely important. Monitor debtors' payment times and try to get your debtors back to normal trading terms. Are your systems for debtor management as good as they could be? Or have you just been following the same systems you had in place during the boom years?

Monitor investments - Monitor stock by conducting regular stockturn calculations and comparing actual turns achieved to budgeted position and then take action to ensure the anticipated stockturn is achieved. Also monitor investment in work in progress (if you have any).

Plan for the future - Staff are going to be very important in ensuring that businesses have a sound future in the recovering economic climate. Have you recruited the right mix of staff and are you investing in staff training?

Innovation - All businesses need to be innovating and developing new products and services which can be offered to customers. What research and development projects could be undertaken in your business?

Export Opportunities - Have you considered exporting your products and services or licensing your technology or business know-how for overseas markets? It might be a good idea to visit the New Zealand Trade and Enterprise website at www.nzte.govt.nz to familiarise yourself with strategies to implement to commence export of products or services successfully.

If you would like our assistance in planning strategies for your business to take advantage of the improving times, including market research and business plans, business reviews etc, please do not hesitate to contact us.

Attention Farmers – stock on hand at balance date

As May and June balance dates fast approach for our Farmers, we stress the importance of accurate counting of stock on hand as at year end. A lot of time is consumed in the office reconciling stock numbers preparation of Financial Statements. In addition, stock numbers has a direct effect on the amount of tax you have to pay.

Count your stock numbers as soon as possible after year end date, as the longer you leave it the 'foggier' ones memory becomes.

Legislation changes in horticulture and viticulture industries

From 1 April 2010, payments made to any type of contractor (individual, partnership, trust or company) in the agriculture, horticulture or viticulture industries are subject to tax being deducted from schedular payments (formally call Withholding Payments) if the work or service is provided:

- under a contract or arrangement for the supply of labour, or substantially for the supply of labour, and
- in connection with land that is intended to be used for the cultivation of fruit crops, vegetables, orchards or vineyards.

The requirement to have tax deducted from the schedular payments does not apply to work or services by a:

- post-harvest facility
- management entity under a formal management agreement under which the entity is responsible for payment for the work or services provided.

If you require more information on how these changes may affect you, please do not hesitate to contact us here at the BRG office.

Back ups - data insurance made easy

We all take out insurance for our car, home and business to protect us from financial disaster. But what about insurance for our business or personal data stored on our computer? How would your business survive if your hard drive breaks down, is infected by a virus, damaged by fire/flood or you carelessly give the 'delete' command when working on a file?

Not having regular data back up is a disaster waiting to happen. How much time and money will it cost you in the event of the worst case scenario? A few simple steps can ensure your business is back up and running quickly. You can even recover that file you accidentally deleted or the important email from your inbox. An effective back up strategy includes;

- Regularly organise your data – keep files in easy to find places
- Determine how often to back up – daily/weekly/monthly depending on your business requirements
- What media will be used – CD/Tape drive or external hard drive (it is not recommended to back up your files to a partitioned area of your systems hard drive)
- What files will you back up – operating system and program files don't change that regularly and need to be backed up less often than work files
- Regularly test that your back up works



Around the office

Over the Easter long weekend, Te Puke Squash Club held their annual Easter tournament - The Te Puke Open with BRG as the main sponsor. Over 150 competitors from all across the North Island ensured competition in all grades was fierce. More than 40 locals entered with four making the finals across various grades.

BRG would like to congratulate all the competitors for helping make the annual tournament an outstanding success.

Important Dates

7 May	Provisional Tax	<ul style="list-style-type: none">• 2nd instalment (July balance date)• 3rd instalment (March balance date)• 2nd instalment 6 mthly GST (March balance date)
20 May	PAYE	<ul style="list-style-type: none">• Employer monthly schedule (IR348)
20 May	RWT	<ul style="list-style-type: none">• RWT Return and payment due for deductions from dividends and deductions of \$500 or more from interest paid during February
28 May	Provisional Tax	<ul style="list-style-type: none">• 1st instalment (December balance date)• 3rd instalment (April balance date)• 2nd instalment 6 mthly GST (April balance date)

Quote of the month – *'Failure doesn't mean you are a failure it just means you haven't succeeded yet'* - **Robert H. Schuller**