



SEPTEMBER 2017

Spring UPDATE

IT'S SEPTEMBER! A WARM WELCOME TO OUR SPRING NEWSLETTER

FROM OUR OFFICE

THE MYOB ANNUAL CONFERENCE

On behalf of KTS, Tony and Jenny attended the annual MYOB conference held in Wellington recently. As well as learning about all the exciting and innovative projects coming up in the future for clients of MYOB, KTS was proud to receive two awards.

- The award for 10 years of service with MYOB →
- An honourable mention award for commitment to client success through the use of online payroll and accounting

All of the KTS clients who use MYOB, are in for some great improvements and updates in the future, we will keep you informed as they become available.



Trusts with only a family home

If you have a family trust, which only owns your home, you should remember, if you have been paying off the mortgage principal, the trust owes you the money you have paid on its behalf.

If you overlook this, you may be defeating the main purpose of the trust, which is to protect your wealth. In the event you can't pay your debts, your creditors can call on the debt owing to you by the trust and make the trust pay. Your solution is to periodically forgive the debt - call us if you need any help or advice with this.

ACC's new online self-service tool

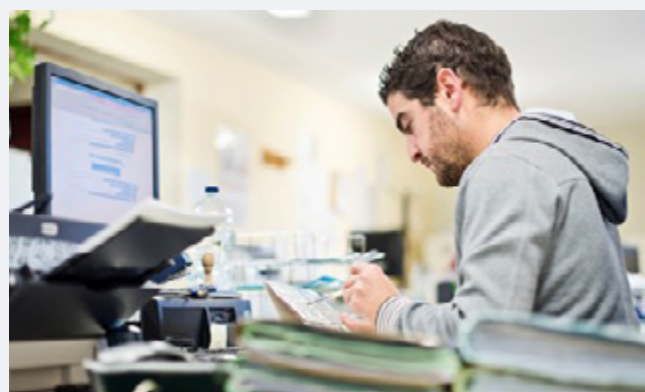
ACC has provided a new digital service for small to medium business customers to manage their ACC levies.

Now you can:

- check and update your business and contact details
- check your levy information and invoice
- pay your levy by credit card or internet banking
- invite another person to manage your MyACC for Business account.

ACC will be extending this service with features and access options for larger businesses, agents and intermediaries soon.

For more information or to register for MyACC for business
[CLICK HERE](#)



Employee or Contractor

The legal distinction of who is an Independent Contractor and who is an Employee has significant financial liabilities attached to it. It is vital from the outset that the business relationship is defined because if there is a lack of clarity and a dispute arises then the business could face serious financial ramifications in regards to tax payments and employment rights.

The difference between an Employee and a Contractor is not always as clear cut as it seems.



[to find out more - click here](#)

Keeping tax records

Whether you're a small business, contractor or self-employed, you need to hold on to tax records whether they're electronic or paper-based for at least seven years — so you can pass them to Inland Revenue if you're audited. Even if you have an accountant, it's up to you to know what records to hold on to.



TIP

It's good practice to record the date, description, cost and supplier for everything you buy for your business.

If you're GST registered you also need to have tax invoices for your expenses so you can claim back the GST, you must also keep all records that can support an expense claim unless the amount is under \$50.

Business Expenses, what can you claim for ?

All self-employed people can claim business expenses, contractors and sole traders included. If you work from home you can claim some household expenses, as well.
[find out what counts as an expense](#)

BUSINESS.GOVT.NZ has produced a very helpful view of what you can claim - [CLICK HERE TO SEE IT](#)

Avoid the bad payers

The first rule about debts is to try and avoid customers who don't pay what they owe you. If the amount is going to be large, get a deposit first, get a credit report, or both.

The second rule is to avoid having your business dominated by one firm. If you possibly can, diversify your customer base as quickly as you can.

When you get a bad payer:

- Get onto the customer quickly.
- Follow up on a planned basis and minimise the time between each follow-up.
- When ringing the customer, get a commitment of how much will be paid and when.
- When following up by phone, write notes of the commitment made and preferably the actual words used by the customer.
- If you still have trouble collecting the debt, confront the customer with each of the promises and what was said.
- If you still can't get paid, warn the customer you are going to take debt recovery action. If this does not produce results, carry out the threat promptly.
- If you're dealing with a company, the threat of winding it up can be very effective for those who are first in.

