



MCA

MATHIESON CHARTERED ACCOUNTANTS LTD.



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Newsletter – April 2016

END OF FINANCIAL YEAR

The end of the financial year is now upon us. For a lot of us this can be a stressful time of year. Luckily, a common-sense approach can make things much easier. With this in mind, we enclose six handy tips to help you get sorted.

1. **Communicate clearly.** Always keep your accounts and records up to date throughout the year – this is the single most important thing you can do to make EOFY a lot easier. It's essential to keep in contact with us regularly, and be sure to advise us on any major transactions throughout the year as they happen.
2. **Get your records up to date.** All transactions for the current financial year need to be recorded. Logging your transactions can be a very time-consuming process if left alone until March each year, so maintaining and updating your records regularly during the year will alleviate the pressure.
3. **Eliminate and review.** Talk to us about deductions, write-offs and rebates available to your business. Eliminate worthless stock, plant and equipment by reviewing your asset register, which keeps track of your company equipment.
4. **Be transparent.** Provide all necessary financial information to your us. Try to respond to requests for additional information in a timely manner, provide clear and detailed supporting information, and ensure all documents are labelled and organised.
5. **Back up.** Create a separate copy of your accounts and back it up. Whether you're working on your accounts in the cloud or on your desktop, you should consider making a backup outside your accounting system that creates a data file for the year.
6. **Look ahead.** The end of financial year is also a good time to reassess your business plan, to ensure you're



on the right path for the next financial year. It's also a good idea to review your accounting software – if you are not already using cloud accounting, talk to us to find out how it can help your business.

For any advice, suggestions, or queries on the end of the financial year, feel free to contact us on (03) 307 6455.

LOOK-THROUGH COMPANY CHANGES

In early September 2015 Inland Revenue's Policy and Strategy division issued the Official's Paper: Closely held company taxation issues.

The issues paper suggests a range of changes to make the LTC rules more workable, which aligns with the Government's objective of simplifying tax requirements and reducing compliance costs for small and medium businesses. Feedback on the proposed changes is being sought with the final date for submissions being 16 October 2015. It is not expected that the changes will apply until the 2017-18 income year. We will keep you posted on what this means for your business.