



# MCA

MATHIESON CHARTERED ACCOUNTANTS LTD.



PROFIT



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## Newsletter – December 2016

### CHRISTMAS AND NEW YEARS

Thank you to all our clients for your support over the year. We will be closed from 12pm on the 22nd of December and will be re-opening on the 4th of January at 8am. For any urgent matters over this period, please email [info@myca.co.nz](mailto:info@myca.co.nz)

### SENSIBLE SEASONAL HOUSEKEEPING

- ✓ If your business peaks during the holidays, have your marketing organised and plan your staffing. Is there a planned approach to when everyone is taking their holidays?
- ✓ Have extra business cards or other marketing give aways on hand - it's a great season for networking.
- ✓ Everyone is used to being cash strapped in the New Year but no one ever really prepares for it. Follow up with debtors to encourage payment before Christmas - help your cashflow off to a good start for the New Year.
- ✓ Speaking of cashflow - check what tax payments are coming up in January and make sure you're prepared.
- ✓ Are you sending gifts to top clients? Splashing out on an event? What about presents or bonuses for your staff?
- ✓ What needs to happen while you're at the beach? Is payroll all set up for the holiday period? It's worth it to do a double check on your calculations, especially if there are tricky elements in the mix such as holiday pay, schedular payments, on call payments or time and a half rates.
- ✓ Do you have something coming up where you'll need professional advice from us or your lawyer? Connect with your advisors before Christmas - most offices shut down for a minimum of two weeks and senior professionals can be away longer.
- ✓ Have you done a computer health check, updated your virus protection and backed up your server offsite or to the cloud?
- ✓ If your business is shutting down, make sure your voicemail message and website mention closing date info and emergency contact details. Also, who will be responding to work related emails?



### PARTY PARTY PARTY

Are you planning a Christmas function for special clients and/or suppliers and business contacts? Be aware that this will come under the entertainment regime for purposes of tax deductibility. Any expenditure on food and drink that your business provides off your business premises will be 50% deductible. This extends to any incidental expenditure on things like hireage of crockery, glassware or utensils, waiting staff, and music or other entertainment provided for the function you're planning.

If you're thinking of a more public event to promote the business during the festive season, expenditure on food, drink and all the necessary incidentals could be fully deductible. However, be aware that the event can't cater for your VIPs alone. It must be open to the public on the same footing as clients or business contacts. Its primary purpose must be as a marketing event for the business.

If you're planning an event and you're not sure which tax regime it will fall under, please contact us for information.

**HAPPY HOLIDAYS FROM THE TEAM AT MATHIESON  
CHARTERED ACCOUNTANTS**