

MBS Advisors March/April Update

Welcome to the MBS Advisors latest newsletter. The days are definitely getting shorter as we rapidly head towards daylight saving.

The end of another financial year is quickly approaching and this is always a good opportunity to thank all of the staff at MBS Advisors for their hard work this year in assisting our clients. The financial year-end is also a great opportunity for everyone to reflect on the previous year and consider aspects such as what went well, but more importantly, it presents the perfect time to plan accordingly for the coming year and challenges ahead.

Our thoughts here at MBS sincerely goes out to any clients, family and friends that have been affected in any way by the recent impacts of weather events that have struck New Zealand. It has been very hard viewing and reading for many but at the same time it is great to see just how resilient many New Zealanders have proven themselves to be in the face of adversity. If MBS can provide assistance, please reach out to any of our friendly staff.

This newsletter is packed with relevant content including – an outline of the financial support available to individuals and businesses affected by Cyclone Gabrielle including relevant web links to funding applications and a summary of changes being introduced in April to invoicing requirements.

Happy Easter everyone and if you are travelling away on NZ's longest long weekend of the year stay safe on our busy roads.

Jeremy



Minimum wage to rise in line with inflation from April 1

The Prime Minister, Chris Hipkins has announced that the minimum wage will go up from April 1 2023, to \$22.70 - a 7% increase from \$21.20. The Starting-Out and Training minimum wage rates will be maintained at 80% of the adult minimum wage.

Costs are increasing

Even if you don't employ one of the 175,000 Kiwis who earn minimum wage, this may impact your business. Wages rise steadily over time, and employees who missed out on a pay rise this year will probably expect one next, if your business has been thriving.

In addition to the rising cost of labour, inflation is forecast to put upward pressure on everyday items. That will likely increase your general running costs and the price of materials. Petrol prices are up, for instance, and supply chain issues have driven up the cost of many imported products.

Time to review your pricing

Is it time to put your prices up? Ideally, your business should increase costs by a tiny amount each year, rather than by a big jump every five years, for instance. Small increases help prevent price shocks for customers, and keep your business in line with the rest of the market.

Can you also cut costs?

If you don't think increasing your prices is an option, or you still need to make more of a change, you may need to cut back your spending. We look at your business line by line, so we can help you identify areas where you might be able to trim the fat.

Give us a call or drop us a note – we're here to help.



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End of financial year checklist

It's time for us to start working on your annual accounts, so we'll need some information from you to help us complete your accounts.

What do we need from you?

If your business is already linked to us through your online accounting platform (like Xero), the good news is that we already have most of this data. However, we'll still need the following information for each of your businesses:

- Your bank statement as at 31 March 2023
- Your Resident Withholding Tax Certificate
- Payroll records, unless we run your payroll for you
- Vehicle logbooks and mileage records
- The March 31 balance of any business loans
- Stock value at March 31
- Dividends
- Accounts receivable and payable at March 31
- Any bad debts you've written off
- Any other income you received during the year



Do you work from home? If so, we'll also need some information about:

- Rent or mortgage interest payments
- Insurance
- Power
- Land and/or Water Rates

It's also helpful if you can completely reconcile your accounts. If you're stuck with a tricky refund, part payment or other anomaly, just get in touch and we can sort you out.

The right information helps us to help you

Having all the necessary information helps us look closely at your accounts and make sure you're not paying too much tax. For instance, if we don't know about your expenses, we won't be able to offset them against your income, so you'll pay more tax than required.

On the flipside, you may also have paid too much provisional tax during the year if your business had a tough time. Getting all your information together means we can apply for a refund if you've overpaid, and adjust your provisional tax depending on your expectations.

It's also helpful to have your annual accounts completed so you can analyse how your business performed. You can compare it to previous years and think about what's working, and what isn't, so you can make better decisions for the year ahead.

It takes time to generate accurate accounts

One last note - although you may not read your accounts with a fine-toothed comb, we do! It takes considerable time, attention and energy to turn your massive pile of paperwork into accurate annual accounts.

We're happy to provide you with an update on how we're getting along, so feel free to ask at any time.

Figured Price Increase

From 1 March 2023, Figured will be increasing the price of Figured licences(right) in New Zealand, along with renaming the products. The changes are as follows:

Current Subscription Type	New Name	New Price
Financial Farmer(partner pricing)	Farm Manager	\$60 (from \$50)
Commercial Manager	Commercial Manager	\$25 (from \$20)

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Support for businesses hit by Cyclone Gabrielle

If your business has been impacted by Cyclone Gabrielle, you may be able to get support from your bank and/or the Government. Here are some of the packages available to businesses across New Zealand:

\$2,500 cash support available from Westpac

Westpac's small business customers can apply for a \$2,500 cash grant from the Small Business Flood Relief Fund. This also applies to businesses hit by the earlier Auckland floods. Visit the Westpac website to apply.

\$2,000 cash support available from ASB

ASB's business and personal customers can apply for a one-off \$2,000 cash payment for support. You'll need to supply some evidence of the impact that Cyclone Gabrielle, or the recent flooding, have had on your operations. You can find out more and apply at the ASB website.

Support packages from other banks

Other major banks – including ANZ, BNZ, and Kiwibank – are offering businesses temporary overdrafts, zero-fee loan restructuring, interest only periods on loans, payment deferrals and other support. Get in touch with your bank to see what's on offer.

Civil Defence payments

Anyone who has been displaced or can't work due to Cyclone Gabrielle can apply for a Civil Defence payment. Eligibility is limited, so check the website for more information.

Flood recovery payments for Auckland businesses

Individuals, Marae and community groups affected by this year's extreme weather events in Auckland can apply for a grant from the Auckland Council Emergency Relief Fund. You can find out more and apply here.

Inland Revenue waives late payment penalties

Inland Revenue has announced it will waive late payment penalties for businesses unable to file or pay tax on time due to the recent extreme weather. More information here.

Support from your industry

The Ministry for Primary Industries (MPI) has announced funding to mobilise and co-ordinate recovery efforts for farmers, growers, whenua Māori owners and rural communities.

Many industry groups have emergency support information available get in touch and we will be able to point you in the right direction for you.

Government grants for Businesses from early March 2023

If you own a business in one of the seven regions that have been affected by Cyclone Gabrielle or January flooding you can apply for support to help with recovery. The areas are Northland, Auckland, Bay of Plenty, Coromandel, Tairāwhiti, Hawke's Bay and Tararua.

Eligible businesses can apply for a grant up to \$40,000. Businesses must not already be receiving funding from the Ministry for Primary Industries recovery fund.

Some criteria will apply. Applications will be via local partners. These will be published in early March on the Ministry of Business, Innovation and Employment website.

We can help with securing funding and support

If you need assistance in demonstrating the impact of the weather events on your business, we can help. We can also complete funding applications on your behalf, and talk to the Inland Revenue about support for your tax situation.

Get in touch, we're here to help.

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GST invoicing changes from

April 2023

New rules modernising GST invoicing and record-keeping requirements apply from 1 April 2023.

The key change is removing the requirement to issue and hold a “tax invoice” document (which meets certain prescribed requirements on details required), and instead having GST requirements met provided specific GST information is held through various business records, for example commercial invoices or agreements.

Tax invoices are replaced by taxable supply information (TSI). This is a set list of information that must be provided to any GST-registered customers within 28 days of the date of supply. Information over and above current tax invoice requirements includes:

- the “date of the supply” – when the time of supply is triggered, rather than the current tax invoice requirement of the date on which the tax invoice is issued
- for supplies over \$1,000, the TSI must include the recipient's physical address (if that information is available).

For supplies over \$200, the changes mean it is mandatory to issue TSI to GST-registered customers within 28 days of the date of supply, and for supplies made to non-GST registered persons you have 28 days from when the customer requests the information.

Got questions about invoicing? Talk to us. We are here to help.

ACC - CoverPlus Extra renewals

If you are on ACC CPX, Please let us know if your business details need changing for the 2024 year, otherwise your CPX will automatically renew on 1 April. Invoices will be sent in April and payable one month thereafter.

Anything keeping you up at night?

If you're facing operational issues, tackling people challenges, or have health and safety questions, contact us. We are here to help.

Staff Happenings

Congratulations Harjot x 2

The celebrations were two-fold for MBS staff member Harjot Singh, having recently completed and been awarded her Chartered Accountants designation as well as becoming engaged to partner Rishi. Congratulations from the whole team Harjot.

Congratulations Lucie

Congratulations also goes to our wonderfully talented Receptionist Lucie on her marriage to fiancé Johnny Coop held on 17 March. We wish you both all the very best for a wonderful future together as The Coops.

Staff extensions

Brylee Budd.....	711
Deena Hobbs.....	703
Deepa Sharma.....	725
Harjot Singh.....	724
Jan Peters.....	733
Jaspreet Singh.....	727
Jo Walton.....	708
Kassie Thomas.....	705
Kathy Reily.....	728
Kayla Armstrong.....	723
Liam Crean.....	707
Lucie Storrie.....	700
Nikki Brown.....	709
Sharon Lawson.....	729
Sue Brownlie.....	721
Tonya Whitten.....	702

Wai/BOP Young Farmer

Early March saw a number of the MBS team volunteering as independent scorers for the FMG Waikato Bay of Plenty Young Farmer of the Year competition along with the Agri-Kids and Junior Farmer competitions.

Congratulations to Emma Poole, this years winner who will be heading to Timaru to contest the national finals in July.

A special thanks to the official photographer Viv Gehrman The Farming Photographer who has given us access to showcase some of her photo's(below) from the competition. Check out her portfolio at <https://vgehrmann.wixsite.com/farmingphotographer>



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