

BEHIND THE NUMB3RS—2010

December 2010 —Issue 37

What a year! For many 2011 just won't come quickly enough. For others 2010 will be remembered as one of tragedy and sadness, the Earthquake, the Miners, the demise of a local hero—South Canterbury Finance and then there's the economy.

This will however make us more resilient, better people. Key economic indicators are showing the economy is improving. Rising employment, falling debt and record commodity prices all point to brighter days ahead.

Next year, with help from the Rugby World Cup, post earthquake construction and the simple passage of time taking more people and businesses to comfortable debt positions, we will bounce back!

Enjoy your break with friends and family. We can always replace the material things we reach out for but life's really too short to obsess over these.

The Hidden Economy

The hidden economy comprises monetary and non-monetary transactions that are intentionally not declared or accurately reported.

Those identified by the IR at risk for 2010-2011 are:

- Hospitality
- Agricultural and horticultural contractors
- Scrap metal
- Organised crime
- Undeclared offshore income
- Other emergency areas, including e-commerce, fishing and aquaculture and tourism.
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Other areas for focus for Inland Revenue will be:

- Working for families and donation tax credit fraud
- GST fraud
- International cash transfers
- The building industry including contractors

Property Developers, Speculators and Dealers

Inland Revenue is particularly interested in property developers, speculators and dealers. Inland Revenue will focus on people who frequently trade property and the use of LAQC's.

In particular:

- In 2009, Inland Revenue identified 2,000 people who had bought and sold six or more properties over a period of four years. Of this group, 300 people had bought or sold 20 or more properties.

The above information was obtained from a seminar Perriam and Partners recently attended.



Perriam and Partners will be closed from 23 December 2010 until 17 January 2011. We will however have skeleton staff on from 10 January 2011 in the event of any urgent matters that will need attending to.

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You are advised to consult professionals before acting upon this information.



For many of you it will have been a tough old year but you weren't alone as the picture suggests—here's hoping that 2011 is "shaping" up to be a lot better".

The Staff Room

This is an ideal opportunity to thank all our staff for their efforts and contribution throughout the year. It's soon time to take a break, freshen up, have a "kit-kat", as the saying goes, but come back you will, it'll be Accounting time again and that's gotta be a thrill!



A Year on Perriam's Planet

Thankfully not quite like the chap above, although sometimes a client's annual computer print-outs or spreadsheets almost have us there.

As an Accounting Practice we have observed and witness a myriad of client situations during the 2010 year. Creating remedies for financial diseases, collapsed businesses, broken bank balances but always and hopefully back into the recovery position.

We look after those that are distressed, in stress and some who are simply just in a mess.

Then there are those that have very few woes, and continue their quest for financial success.

But this is all part of the joy of a much bigger ploy, which is, juggling the beans, using many of our means.

Which brings us to the people whom we act for each day, a splendid bunch you are, and we wouldn't want it any other way.

So, thank you so much for your support through the year. And we'll be back, so you've nothing to fear.

Thank You For Your Support

ACHIEVERS CLUB

We are pleased to announce that the latest inductees to the Perriam and Partners Achievers Club are:

Seth O'Connor

Rugby, Cricket and Athletics

Cullan Dreaver

Football

Oliver Snape

Basketball, Football and YMCA Camp

Well done Seth, Cullan and Oliver, your outstanding efforts have been recognized.

The boys have received a certificate and a \$25 voucher.

Don't forget to visit our **Achievers Club** section on our **website**

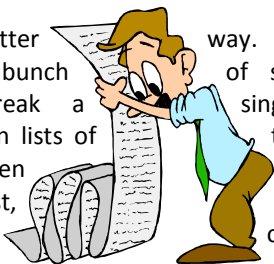
(www.perriams.co.nz). If your children have been excelling or have done a good thing of late then we want to acknowledge this and make them feel special.

LONG LISTS DON'T GET DONE!

Start making smaller to-do lists. Long lists collect dust. When's the last time you finished a long list of things? You might have knocked off the first few, but chances are you eventually abandoned it (or blindly checked off items that weren't really done properly).

Long lists are guilt trips. The longer the list of unfinished items, the worse you feel about it. And at a certain point you just stop looking at it because it makes you feel bad. Then you stress out and the whole thing turns into a big mess.

There's a better way. Break that long list down into a bunch of smaller lists. For example, break a single list of a hundred items into ten lists of ten items. That means when you finish an item on a list, you've completed 10 per cent of that list, instead of 1 percent.



Yes, you still have the same amount of stuff left to do but now you can look at the small picture and find satisfaction, motivation and progress. That's a lot better than staring at the huge picture and being terrified and demoralized.

Whenever you can, divide problems into smaller and smaller pieces until you're able to deal with them completely and quickly. Simply rearranging your tasks this way can have an amazing impact on our productivity and motivation.

A quick suggestion about prioritisation: don't prioritise with numbers or labels. Avoid saying, "This is high priority, this is low priority." Likewise, don't say, "This is a three, this is a two, this is a one, this is a three, etc. Do that and you'll almost always end up with a ton of really high-priority things. That's not really prioritizing. Instead, prioritize visually. Put the most important thing at the top. When you're done with that, the next thing on the list becomes the next most important thing to do at a time.

And that's enough.



**How did this happen?
Yet another glass ceiling
has shattered!**

Five Tips for Email

- ◆ Never put more than one name in the "cc" column. Everyone who receives the email can see everyone else's name, so it's an invasion of privacy and potentially leaves people open to scams. The solution is either to use the "bcc" (blind carbon copy) column, with your own email address in the "to" box. Or better, use one of the personalised email software packages available.
- ◆ Don't use attachments. People are lazy, and increasingly worried about viruses. Some companies now strip all attachments out of emails when they arrive in the building, just sending a message to the intended recipient telling them how to get them back. When a company did this, it took out between 3500 and 4000 email attachments the first month. A grand total of 12 (yes twelve) people asked for an attachment back.
- ◆ Don't go "me, me me". Write informally, with personality, and structure everything according to the principle "what's in it for the person reading this?".
- ◆ If you start an email campaign, make sure you've got the resources within your company to respond quickly to any replies. People expect immediate responses from email.
- ◆ Make the email look good. There are two ways to send out emails—plain text (basic typeface and 10-point font size) or HTML, where you can alter the font size and colour, tables, bold type and other bells and whistles.

TO PUSH OR PULL?

You can learn a lot about a person by the way they do everyday things. Take a recent survey—carried out by revelation Research in the US—about whether you push your trolley through the checkout, or pull it through. 74% of respondents reported they pull their trolley into the checkout aisle which has a wide impact for retailers as most merchandising at the point-of-sale is aimed at people pushing trolleys. Those of you who like to pull their trolley tend to be more aggressive and impatient about their shopping experience, whilst pushers tend to take their time and go with the flow. Pullers also perceived themselves to be more time-sensitive, more in control and willing to break with tradition.

Are you a pusher or a puller?

Source—NZ Retail Magazine



GOTTA LOVE THAT ROUND BALL!

I recently read a great little article in the NZ Listener Magazine of November 6 and it went like this.

Our National sport is now the **lottery**. In fact after football, it's the most popular ball sport in the world. More people now each week play lotto than rugby, cricket, netball and table tennis combined.

The article then went on to say "sadly, we Kiwis aren't actually that good at it, referring to the 10 million goes over 16 weeks, that it took a Kiwi to win the latest Powerball and then there is the \$62 million of Lotto winnings that have gone unclaimed.

Of course when you do win lotto your trusty Accountant is going to be one of the first to know— isn't' he?

LAQC's

The budget proposed the following changes to the tax treatment of LAQCs:

- That LAQCs will be treated as a limited partnership resulting in shareholders effectively becoming partners.
- Income generated by LAQCs will flow through to shareholders and be taxed in their hands at their marginal tax rate.
- Tough loss limitation rules will apply.

The budget's rather contentious proposed LAQC regime changes have been the subject of numerous submissions (including from the New Zealand Institute of Chartered Accountants). The Government is in the process of considering these submissions and we will not be in a position to advise you until the legislation has been finalised, which may be some months away. Rest assured we will be in touch as soon as we have some clarity.

Best Completed Checklist



Congratulations to Glasspro Christchurch Limited (Andrew and Karen Palmer) whom the staff at Perriams voted as the best presented checklist. For their efforts they won a \$250 voucher to Styx and Stone Restaurant and Bar in Northwood Supa Centre, Belfast.

Make it Happen Charitable Trust

We've made it happen - now you can make it happen too!

Perriam and Partners in a joint effort with Bishopdale Law is pleased to announce the establishment of a Charitable Trust "Make it Happen Charitable Trust".

Both the businesses of Bishopdale Law and Perriam and Partners will contribute a set percentage of their client's fees to the Trust.

What is the purpose?

We are all too familiar with the expression – I can't! – we would like to help make that "I can" and "I did"!

For some in our local community there are opportunities and events that just may not seem possible, or are just beyond reach due to financial constraints. Make It Happen Charitable Trust exists because we don't want to see an opportunity or event pass you by for this particular reason.

The Trust's purpose is to make grants to children and their families, primarily in the North West area of Christchurch, to meet (or go towards), the costs of assisting in sport, school activities, the arts, music, community or cultural activity education and possibly medical costs.

Our hope is that Make It Happen will be one of the facilitators that is going to get you over that hurdle – making it happen for you.

Please go to our website and click on **Make It Happen** for more information and a copy of our profile and application form.



Make It Happen

Pike River Mining Tragedy

As we go to print we have just heard confirmation that those 29 hardy souls perished in the explosion. Our thoughts go to all their families and friends—stay strong.