

# Perriam & Partners Ltd

Chartered Accountants & Business Advisors

## BEHIND THE NUMB3RS

December 2009—Issue 34



### Directors Report

The 2008/2009 business year has been one of the toughest in history. In New Zealand we have endured five (probably soon to be six) successive quarters of negative economic growth. The talk of 'green shoots' and a bottoming out to the recession, whether in the shape of a U, V or W, is reflected in recent consumer confidence surveys. However, the facts, and the reality of rising unemployment, increased numbers of business failures, and an uncertain housing market have affected most of us.

Perriam and Partners has been working at various levels this year to support clients to respond to these economic pressures and we to have had one of our most difficult years to date.

A highlight of our year, has been the appointment of Gary Newell to the new position of Business Manager. This has allowed myself in particular more time to meet the demands of our clients and without question this year has been exceptionally demanding.

#### 2010

2010 will still have its challenges and we continue to mould and develop our resources so that we are able to, as best we can, deliver you an outstanding service. Our goal is always to create a client experience so good that our clients will want to pay, stay and refer others.

#### Thank you—Our People

Our profession is all about the people—our clients and our staff. I extend my sincere thanks to the continued support of you, our clients, and a special thanks to the staff.

*Best wishes and Merry Christmas.*



*Pace Yourself -and Enjoy  
Summer is a time to relax,  
unwind and enjoy good  
company.*

### BEAN SUNSMART

Sunburn can lead to Skin Cancer later in life. So remember to be **SunSmart** this Summer



**Slip** - into a shirt and into some shade

**Slop** - on some sunscreen

**Slap** - on a hat

**Wrap** - on some sunnies

New Zealand has one of the highest rates of skin cancer in the world and the sad thing about this is that most skin cancers are preventable.

**BEAN SUNSMART**

## Recovery—where might we be?

We are not buying into the much talked about recovery as we do not believe there is any substance to it. Sure house prices and building consents are up, but so they should be, as we have come off the back of the worst ever financial meltdown— if we had not had this minor recovery the economy would be in dire straits.

Employment and income growth are the best barometer of any recovery. The New Zealand economy needs income growth to generate a wealth effect and also allow consumers to reduce debt.

NZ Limited produces food. Our two shining lights being food and water. The world cannot do without either. God help us if we were to find oil in South Basin, this would be disastrous. Perhaps our once National Sheep Flock of 70 million could now be replaced by 70 million barrels (of water).

A less dominant factor is immigration. Those aligned to the housing sector portray immigration as a reason to invest and many of our economists say this is positive, however immigration only works if there are jobs for the immigrants. If New Zealanders are losing jobs, no point in inviting foreigners to join the dole queue. Further to this is the fact that the immigrants of today are not as wealthy as those that came to our shores in the last upswing.

The best thing we can do is to remain positive, spend wisely, take a big breath because it “ain’t all that bad.”



## Accountant and Farmer

A man walking along a road in the country side comes across a shepherd and a huge flock of sheep. Stopping to rest he tells the shepherd, “I will bet you \$100 against one of your sheep, that I can tell you the exact number in this flock.”

The shepherd thinks it over. It’s a big flock, so he takes the bet:

The man looks around and answers, “869.” The shepherd is astonished because that is exactly right.

The shepherd says “Okay, I’m a man of my word take the animal.” the man picks one up and begins to walk away.

“Wait,” cries the shepherd, “let me have a chance to get even. Double or nothing that I can guess your exact occupation”. The man agrees.

“You are an accountant for the government,” says the shepherd.

“Amazing!” responds the man. “You are exactly right! But tell me, how did you deduce that?”

“Well,” says the shepherd, “put down my dog and I will tell you.”



## ACHIEVERS CLUB

We are pleased to announce that the recipients of the Perriam and Partners Achievers Club are:

Ollie and Oscar Sowman  
Harri Tait  
William Dorrance

Well done to you all. Harri, William, Ollie and Oscar will all receive a certificate and a \$25 voucher.

If you believe one or more of your children could be candidates for our Perriam and Partners Achievers club then please go to our website and click on to Perriam Achievers Club to see what is involved. To coin an old phrase “you have to be in to win”.



## CHRISTMAS CLOSING DATES

*Please note that our offices will be closed from Wednesday 23 December 2009 at 12.00pm and will re-open on Monday 11 January 2010 at 8.30am*