

## Client Shout Out



Leading the way in science-based strategies to help rural New Zealand thrive.

Land & Water Science is an innovative, research-based environmental consultancy in Invercargill. Much of their work involves utilising landscape susceptibility maps they've developed for Southland and Northland to provide insights to support clients with their environmental goals. The information and technology Land & Water Science accesses allows them to create insights at a very high resolution, they locate, prioritise, and estimate environmental recovery and improvement opportunities for their clients across New Zealand.

Their 'why' is to provide scientific insights to enable rural New Zealand to succeed. Bringing science-based strategies to the sustainable Agri sector to achieve strong environmental and financial outcomes for their clients is a service that McCulloch & Partners back 100%.

McCulloch & Partners have assisted Land & Water Science with their compliance requirements and provided strategic and business planning support. They have a lot of synergies with our Agri client base, meaning we have been able to provide feedback on the benefits of the services they offer the industry as a whole.

To amplify the awareness and importance of physiographic and landscape settings, Land & Water Science have begun developing some short videos which can be viewed on YouTube.



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## Christmas Hours

McCulloch & Partners would like to wish you and your family a safe and happy Christmas and New Year.

We would also like to advise that our offices will be closed over the Christmas holiday period.

**The Invercargill Office** will be closed from 1:00pm, Thursday 22nd December 2022 and will reopen 8:30am, Monday 16th January 2023.

**The Queenstown Office** will be closed from 1:00pm, Thursday 22nd December 2022 and will reopen 8:30am, Thursday 12th January 2023.



# Staff Promotions

## Celebrating two hard-earned promotions!

McCulloch & Partners are thrilled to share the news that two exceptional team members of the Invercargill office have been promoted. Congratulations to our newest Associate, Sally Black, and our newest Manager, Amy Oldenhof.

### Sally Black

Sally has exceptional skills that extend over a wide range of services. She is the go-to accountant for internal and client-focused IT solutions, while keeping her hand in financial and management accounting, board reporting, budgets and cash flow forecasting, and taxation.

Joining the McCulloch & Partners team in 2004 as a graduate accountant, Sally has gone from strength to strength moving into accounting and team management roles. After ten years, Sally transitioned into practice management and IT, where she supported the Partners and wider team. Through continued hard work and years of demonstrated excellence in any task thrown her way, Sally earned the position of McCulloch & Partners Associate.

Congratulations on your promotion and welcome to our Associate team, Sally!

### Amy Oldenhof

Creating efficiencies in business and helping clients gain a greater understanding of their numbers is top of her priority list.

Amy works closely with her clients and their support networks in both the commercial and not-for-profit sectors. She has strong knowledge and experience in software, understanding how systems integrate and enjoys helping her clients to get the most out of their information. She is highly experienced in financial and management accounting, board reporting, taxation, systems software support, and budgets and cash flow forecasting.

She came on board with McCulloch & Partners in 2012 where she provided secretarial services to seafood industry clients while studying for her degree at the Southern Institute of Technology. Gaining over ten years of experience preparing reports and working closely with clients providing back office support, she became a Chartered Accountant in 2022 and has already received a promotion to Manager.

A very big congratulations on becoming a Chartered Accountant and on your new position as Manager – What a great year for Amy!



Sally Black



Amy Oldenhof

# Staff Celebrations

We would like to congratulate Venkat Kotte for receiving his Chartered Accountant qualification.



CHARTERED ACCOUNTANTS™  
AUSTRALIA + NEW ZEALAND

## Have You Liked Our Facebook Page Yet?

Our Facebook page is where we share staff and client achievements, industry news, tips and reminders, upcoming events or important changes that may affect you and/or your business.

Drop by and give our page a like so we can make sure you are kept in the loop between newsletter editions or meetings with your advisors.

Find us here: [www.facebook.com/McCullochPartners](https://www.facebook.com/McCullochPartners)



like us on facebook

## Farm Boss Award

We want to say a massive congratulations to Annalize du Plessis from Mosa Farming in Dipton for taking out number one farm boss in the country. What an achievement!

Here at McCulloch & Partners, it's a very proud moment to see our very own Melanie Tomlins sharing in celebrations alongside her.

Fantastic effort by the staff who took the time to nominate Annalize, it's great to see hard work recognised. One of the reasons she got so many votes was: "They really spoil us as staff, heaps of treats in calving to keep us going, a warm breakfast on a cold morning, a warm plate of food after a long day and loads of group activities."

Congratulations again on your well deserved win!



Left to right: Annalize du Plessis and Melanie Tomlins

## Five Reasons to Consider Audit Shield Accountancy Insurance



While we aim for perfection when preparing your IRD requirements, IRD investigations can still take significant amounts of time, even if everything is in order. To help protect you from this cost, through Accountancy Insurance, we offer an insurance product to assist.

**Here are the top 5 reasons we believe you should consider our Audit Shield Master Policy:**

- + IR is gearing up for audit activity – IR has funnelled significant resources into refining their systems. In turn, this will aid their ability to audit, enquire, investigate and review the lodged returns of many New Zealand businesses and individuals. With such resources available, audit activity will most likely increase, even for those who have previously not been targeted.
- + It is tax deductible – A bonus of our Audit Shield Master Policy is that you can add it to the list of your tax deductions each year if you are in business or are self employed.
- + You are comprehensively covered – All of your current and previously lodged returns are covered by our Audit Shield Master Policy, even if you had another accountant taking care of your tax affairs in the past.
- + There are no unplanned fees – Where there are adjustments required to your lodged returns, our Audit Shield Master Policy will cover the cost of the professional fees, including specialists we may need to engage to assist us on your behalf.
- + It is simple – In order to be covered under our Audit Shield Master Policy, all you need to do is complete the Client Acceptance Form that we send to you and follow the instructions to make payment.

[For more information, get in touch with your McCulloch & Partners advisor.](#)

# Figured Lending Has Launched

We use Figured to help our clients plan for the future, and recently, Figured has launched a great new product.

Figured Lending is a flexible finance offering for NZ dairy contract milkers and sharemilkers. Figured Lending offers pre-qualified finance to customers of Figured who satisfy their pre-qualified funding criteria. The entire lending process is quick and simple. Your loan application could be approved within eight business hours, with funds available in just five working days. Figured loans are unsecured - there's no need to provide asset security to access up to \$100,000 of funds.



Figured Dairy Flexi Credit loans offer flexible repayment terms with no fixed repayments. Treat the loan as an overdraft facility, making repayments at a time that suits you. The loan must be repaid in full within the 12-month lending period.

[If you would like to know more, ask your McCulloch & Partners advisor.](#)

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## Taxes Triggered Upon Death

While New Zealand doesn't have a direct tax on death or any death duties, it does have some taxes that can be triggered on death.

At McCulloch & Partners, we recommend that the impact of these taxes should be looked into and planned for when you update your will.

Planning ahead will enable the tax impacts to be known upfront and structured in a tax efficient manner. This is particularly the case for people who are GST registered or part of a partnership.

An important consideration relates to bright-line tax.

While a property will generally be passed through for bright-line purposes per the will, and the sale from the beneficiary would be exempt from tax, any subsequent transfer would restart the bright-line period which can have some consequences depending on the type of property involved. For example, a rental property is transferred to a child of the deceased on death, if the child transfers the property to their existing investment trust, the bright-line period would restart on this transfer. However, if the Trust had received it directly, the bright-line period would be the date the deceased acquired it.

Another common clause is any outstanding loans are forgiven to related Trusts.

With the abolishment of gift duty in 2011, the number of loans with gifting programmes has likely diminished, as either large loans were forgiven, or small loans were tidied up.

One area that needs to be looked at is the application of the rest home subsidy rules, in particular, any gifting of more than \$27,000 per couple per annum will need to be added back to the assets when looking if this is applicable. This may mean the person is deemed to have significant assets even though the Trust may no longer have the underlying assets. Currently, the thresholds for one spouse in care and the other not in care are either assets of less than \$256,554 or less than \$140,495 excluding a car and your house. On the death of a spouse, this means that you can only use the \$256,554 figure and any gifting that the deceased had used is ignored.

We recommend that you contact your usual McCulloch & Partners advisor when you are looking to update your wills. Our team will make sure they are structured in a tax efficient manner, giving you peace of mind that you have planned for the unexpected.

# Repaying the Small Business Cashflow Scheme Loan (SBCS)

For those that have taken out an IRD Small Business Cashflow Scheme Loan, it may be time to start making repayments. You will have 5 years (60 months) to repay the loan. You will receive a repayment schedule with the payment dates and amounts when regular payments are required to be made. Loans will be subject to an annual interest rate of 3% from the first day of the third year of the loan.

## During the loan period, the following general rules apply:

- + If you repay your loan in full within the first 2 years you will not be charged any interest.
- + Repayments are not compulsory in the first 24 months.
- + Voluntary payments can still be made at any time.
- + After 24 months, you'll be required to make regular payments for both the principal and interest.

For more detail – please talk to your McCulloch & Partners advisor or have a look at the IRD info available at the link below.

<https://www.ird.govt.nz/covid-19/business-and-organisations/sbcs/repay>



## Key Dates: January – March 2023

January	
16 Jan	<b>PAYE:</b> Large Employers for the period 16 Dec to 31 Dec <b>GST:</b> Return and payment due for the period ended 30 Nov <b>Provisional Tax</b> <ul style="list-style-type: none"> <li>• 1st Instalment (July balance date)</li> <li>• 2nd Instalment (Mar balance date)</li> <li>• 3rd Instalment (Nov balance date)</li> </ul>
20 Jan	<b>PAYE:</b> Small Employers for the period 1 Dec to 31 Dec <b>PAYE:</b> Large Employers for the period 1 Jan to 15 Jan
30 Jan	<b>GST:</b> Return and payment due for the period ended 31 Dec
February	
6 Feb (5th is a Sunday)	<b>PAYE:</b> Payment due for large employers for the period 16 Jan to 31 Jan
7 Feb	<b>Terminal Tax:</b> <ul style="list-style-type: none"> <li>• For taxpayers (without a tax agent) with balance dates between 1 Mar and 30 Sep</li> <li>• For taxpayers (with a tax agent) with a Jan balance date</li> </ul>
20 Feb	<b>PAYE:</b> Small Employers for the period 1 Jan to 31 Jan <b>PAYE:</b> Large Employers for the period 1 Feb to 15 Feb
28 Feb	<b>GST:</b> Return and payment due for the period ended 31 Jan <b>Provisional Tax</b> <ul style="list-style-type: none"> <li>• 1st Instalment (Sep balance date)</li> <li>• 2nd Instalment (May balance date)</li> </ul>
March	
6 Mar	<b>PAYE:</b> Payment due for large employers for the period 16 Feb to 28 Feb
7 Mar	<b>Terminal Tax:</b> Feb balance date
20 Mar	<b>PAYE:</b> Small Employers for the period 1 Feb to 28 Feb <b>PAYE:</b> Large Employers for the period 1 Mar to 15 Mar
28 Mar	<b>GST:</b> Return and payment due for the period ended 28 Feb <b>Provisional Tax (Six monthly GST filing)</b> <ul style="list-style-type: none"> <li>• 1st Instalment (Aug balance date)</li> <li>• 2nd Instalment (Feb balance date)</li> </ul>
31 Mar	<b>Tax Returns:</b> Final day to file tax returns for taxpayers with a tax agent