

Client Shout Out!

Local charitable trust, Koha Kai have been making some big changes lately and were also the proud recipients of the Not For Profit Award at the recent Southland Business Awards for their achievements.



Koha Kai was formed in founder Janice Lee’s garage in 2014 with aspirations to ‘Encourage a life of purpose’ for those in Murihiku (Southland) who live with disabilities. They are a multi-award-winning charitable trust focused on creating social change through meaningful employment and education. Koha Kai offer three main services - a hospitality and horticulture teaching programme, commercial catering, and partnering with primary schools to provide healthy lunch options. There has been many exciting achievements for the team in recent months.

During the recent Southland Business Awards they were the very proud recipients of the Not For Profit Award. In regard to receiving the award, general manager Amber-Jade Brass said “What a huge acknowledgment to our Kaiawhina, the mahi they do and overall, an exciting achievement for all Trainees, many of whom we now employ and enjoy at the very least current living wage rates”.

New Zealand current affairs show, Seven Sharp, first did a segment on Koha Kai six years ago. Recently they returned to provide updates on what Janice and the team are up to now. Amber-Jade said that “our team put on a hell of a show and worked their magic for the cameras”. A fantastic recognition for the achievements of Koha Kai.



Janice Lee and Michael Holland from Seven Sharp

In recent weeks they have secured a new HQ at 25 Gala Street where they are looking forward to making new memories and taking on a new chapter for the team after being at Elmwood. They also obtained another space on East Road in collaboration with Idea Services. While they have maintained the tunnel houses for a few years, they are now able to utilise the old “day base” for a Training Programme where new trainees will be able to learn how to cook for themselves in a home style kitchen before moving on to the commercial space in the new HQ.

For now, while they find their feet in a new space, set up office spaces and undergo kitchen renovations, they are in full swing to support those throughout Murihiku who are in immediate need due to COVID-19 isolation. Koha Kai have achieved big things for those living in our community with disabilities and continue to be a valuable asset to the community.

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COVID-19 Support Information

In response to recent COVID-19 developments, the Government has made additional assistance available. This includes:

1. COVID-19 Support Payments – for those that have reduced revenue.
2. COVID-19 Leave Support Scheme – for staff that are isolating.
3. COVID-19 Short-Term Absence Payment – for staff that are waiting for test results.
4. Small Business Cashflow Scheme top up.
5. Further flexibility on tax payments.

Below is the latest view – however, as the situation evolves, so does the support – so please get in touch with your usual MCP contact if you have any questions or would like support making applications.

COVID-19 Support Payments

A COVID-19 Support Payment (CSP) is available for businesses most affected by the Omicron outbreak.

- + To qualify, you must show a 40% drop in revenue over seven consecutive days after February 15 2022, due to COVID-19. For example, this may be due to staff having to isolate, NZ supply chain disruptions or lower retail or recreational movements.
- + There will now be two time periods against which you can compare your current revenue to be eligible for the payment. The original period announced 5 January 2022 to 15 February 2022 and an alternative option of 5 January 2021 to 15 February 2021.
- + If you are a business with highly seasonal revenue, you may select a 7-day comparison period which is before 5 January 2022 and which may be from a past year, which reflects your typical revenue.
- + The payment is \$4,000 per business plus \$400 per full-time employee, capped at 50 FTEs or \$24,000.

The support is available on a fortnightly basis, at this stage for six weeks – so three payments in total, requiring three applications.

First CSP – 16 February 2022 to 4 April 2022.

Second CSP – 7 March 2022 to 4 April 2022.

Third CSP – 21 March 2022 to 4 April 2022.

Applications are open now and close on 5 May 2022.

Further details can be found at www.ird.govt.nz/COVID-19/business-and-organisations/COVID-19-support-payment



COVID-19 Leave Support Scheme

The COVID-19 Leave Support Scheme is available for businesses, including self-employed people, to help pay their employees who have been advised to self-isolate because of COVID-19 and can't work at home during that period.

To be eligible for at least one payment of the Leave Support Scheme your employee will have been required to self-isolate for at least four consecutive calendar days.

This means your employees:

- + Can't come into work because they are in one of the affected groups and must self-isolate, and can't work from home.

The COVID-19 Leave Support Scheme is paid at the rate of:

- + \$600 for full-time workers who were working 20 hours or more a week.
- + \$359 for part-time workers who were working less than 20 hours a week.

Further details

www.workandincome.govt.nz/COVID-19/leave-support-scheme

COVID-19 Support Information continued

COVID-19 Short-Term Absence Payment

The COVID-19 Short-Term Absence Payment is available for businesses, including self-employed people, to help pay their employees who cannot work from home while they wait for a COVID-19 test result.

The Short-Term Absence Payment is available from 9 February 2021. It's to help businesses keep paying eligible employees who:

- + cannot work from home, and;
- + need to miss work to stay home while waiting for a COVID-19 test result (in line with public health guidance).

There's a one-off payment of \$359 for each eligible worker. You can only apply for it once, for each eligible employee, in any 30-day period (unless a health official or doctor tells the employee to get another test).

You can't get the Short-Term Absence Payment when you or your employee take a Rapid Antigen Test because the results are quick. If you or your employee test positive, you will be able to apply for the Leave Support Scheme.

Further details can be found at www.workandincome.govt.nz/covid-19/short-term-absence-payment/

Small Business Cashflow Scheme Top-up

The Small Business Cashflow (Loan) Scheme (SBCS) provides loans to small businesses or organisations which have been impacted by COVID-19. These loans are intended to assist small businesses or organisations to recover from the impacts of COVID-19.

The loan must be used to pay for core operating costs of your business or organisation or capital costs that are intended to help your business adapt to the circumstances arising as a result of COVID-19

This assistance has now been extended:

- + Those that have already accessed the loan can draw down an extra \$10,000, with a new repayment period of five years. The first two years will be interest-free.
- + Those who have already borrowed under the scheme will also have the first two years' interest waived on that initial loan.
- + If your business hasn't yet accessed a loan under this scheme, applications are open until 31 December 2023. If you are eligible, your loan will be interest-free for the first two years.
- + To be eligible, you must have:
 - 50 or fewer full time equivalent employees,
 - have been in business for more than six months,
 - a viable business. Directors or owners believe the business can pay its debts as they fall due within the next 18 months; and
 - have had a 30% decline in actual revenue over a 14 day period in the last six months due to COVID-19. The comparison period is the same period either one year ago or two years ago.

Further details can be found at www.ird.govt.nz/COVID-19/business-and-organisations/sbcs

Further Flexibility on Tax Payments

Inland Revenue continues to offer flexibility regarding tax payment dates where an otherwise viable business is impacted by the pandemic.

It can help with GST and provisional tax due if your business is struggling due to the impacts of the COVID-19 response. Log on to myIR to see:

- + If you can delay starting payments to a later date.
- + If any part of your tax could be written off.

In addition, Inland Revenue has the ability to write off penalties and interest charged for late returns and payments if the only reason for the lateness is pandemic related. This can include cash flow impacts resulting from government restrictions.

Please note : Any support that is passed on to employees has no GST, but if it can be used to pay operating costs then GST needs to be returned. GST should be returned on the Covid Support Payments but not on the Leave Support Scheme or Short Term Absence payments.

Tourism Communities

The Tourism Kick-start Fund is part of the Government's Tourism Communities: Support, Recovery and Re-set Plan.

For eligible businesses, a minimum of \$10,000 to a maximum of \$50,000 per business operation (excluding GST) is available.

This grant is to help business prepare for the return of international visitors, OPEX – not CAPEX.

Key criteria:

- + Revenue drop of 50% compared to the 2019/2020 financial year
- + Be a tourism business, which is defined as a business where at least 50 per cent of its operational output is purchased by tourists (domestic or international), for example: Accommodation, Arts and Recreational Services, Food Services, Transport Services or Retail Trade. This can include service businesses whose output is purchased by tourism businesses.

Application guide and more info at this website: greatsouth.nz/tourism-kick-start-fund-application-information

Businesses can pre-register their interest. by emailing tourismsupport@greatsouth.nz with their:

- + business name
- + phone number
- + business physical address(es).

Applications open 1/4/2022.

Smarter Payroll Processing

Get smarter about your payroll by making the move to cloud-based payroll software.

Cloud-based payroll software enables you to process your payroll at any time, from anywhere and on any device. Just log in to review timesheets submitted by employees, approve, and pay!

Payroll providers such as Xero, Smartly, or PaySauce help your business stay compliant with regulations by:

- + Providing automatic updates to easily manage any changes to legislation.
- + Securely storing payroll records in the cloud for ease of access when required.
- + Calculating PAYE obligations and automatically payday filing with the IRD.

Smartly will even take care of making the payment to the IRD for you.

Empower your employees with self-service apps

Free up your time for more pressing matters by giving employees access to their own information. Xero, Smartly, and Pay Sauce offer web portals and mobile apps for employees that allow them to:

- + Complete and submit timesheets for approval.
- + View and download pay slips.
- + Submit leave applications for approval.
- + View their leave balances.

If you are interested in speeding up your payroll processes with a move to cloud-based payroll software, now is the time to act!

Our payroll team can help you find and transition your business to the most appropriate payroll software for your needs. We can also offer full-service payroll solutions to free you up to focus on your business.



Staff Updates

We are pleased to announce Mark Jordan has been promoted to Associate!

Last year, Mark joined McCulloch + Partners, returning to Invercargill with his family after spending many years in Dunedin and overseas. After finishing studying for his B. Com at the University of Otago, Mark qualified as a Chartered Accountant while working in business advisory with the company Deloitte.

Working with individuals and businesses across a range of industries allowed Mark to develop a passion for business and strong management accounting skills. During his time in Dunedin, Mark met his wife, Sarah. Keen to explore the world together, they set off to London for four years where Mark worked in finance for a large international auction house. They enjoyed their time overseas but decided to return to New Zealand.

Mark joined us from Silver Fern Farms (SFF), where he has worked in finance and commercial roles for six years, supporting significant progress in the business during this time.

Mark is passionate about getting to know businesses and helping people understand their performance through insightful management reporting. He likes working with clients to navigate challenges and plan for the future through well considered forecasting and budgeting. He also has experience working with lenders, insurers, shareholders, boards, and the management teams to enable better decision making and drive improved performance.

Mark is enjoying the return to business advisory and accounting, where he can use his skills and experience to support local businesses. Mark sees great opportunities in Southland, with primary industries continuing to drive prospects for the region.

Mark enjoys spending time with family, going to the gym, fishing, and getting out on the mountain bike. He is the Dunedin Rugby Club's treasurer and enjoys getting involved with the Southland community, while he and Sarah enjoy raising their young two young children. Mark has thoroughly enjoyed the move home and working with new and existing clients of the firm.



Mark Jordan

Staff Celebrations

We would like to congratulate Amy Oldenhof and Marie Coburn on gaining their Chartered Accountant qualifications!



CHARTERED ACCOUNTANTS™
AUSTRALIA + NEW ZEALAND

Valuation Master Course

Valuations give business owners a view of what their business is worth. Late last year, we had a training session on valuations with one of the experts in the field, Don Sloan.

[If you are interested in what your business might be worth – get in touch with your MCP advisor.](#)

CEO Forum

Earlier this month, MCP was proud to host the CEO forum with guest speaker Raelene Castle. Raelene has had an interesting career as CEO of NZ Netball, the Bulldogs NRL team, Rugby Australia, and now Sport NZ. Raelene shared lessons from some of her interesting and challenging moments in a fast-paced and tough environment. Raelene is passionate about sport as a way to improve people's lives.



Raelene Castle

Minimum Wage Increases

As a business owner or manager, you need to be ready for the increase in minimum wage rates on Friday, 1 April 2022.

If you have not yet talked to your advisor, payroll provider or your finance/HR teams, now is the time. It's also an opportunity to check your employment records, processes and systems.

The details of the changes are:

- + The adult minimum wage will increase from \$20.00 to \$21.20 per hour.
- + The minimum wage for starting-out and training will go up from \$16.00 to \$16.96 per hour.

For more information visit www.employment.govt.nz/about/news-and-updates/minimum-wage-increasing-on-1-april/

End of Year Reminders for 31 March balance dates

For clients with a 31 March balance date, it's time to start thinking about getting your information together. You will have received a list of what we might require.

Please also sign and return your client authorisation letter. If you have any questions – just let us know.



Key Dates: April – June 2022

April		June	
5 April	PAYE: Large Employers for the period 16 March to 31 March	7 June	PAYE: Large Employers for the period 16 May to 31 May
7 April	Terminal Tax: Terminal Payment (Income Tax) Terminal Tax: Terminal Payment (Student Loan)	20 June	PAYE: Small Employers for the period 1 May to 31 May PAYE: Large Employers for the period 1 June to 15 June
20 April	PAYE: Small Employers for the period 1 March to 31 March PAYE: Large Employers for the period 1 April to 15 April	28 June	GST: Return and payment due for the period ended 31 May Provisional Tax
May			<ul style="list-style-type: none"> • 1st Instalment (January balance date) • 2nd Instalment (September balance date) • 3rd Instalment (May balance date)
5 May	PAYE: Large Employers for the period 16 April to 30 April		
7 May	GST: Return and payment due for the period ended 31 March. Provisional Tax		
	1st Instalment (November balance date) 2nd Instalment (July balance date) 3rd Instalment (March balance date)		
20 May	PAYE: Small Employers for the period 1 April to 30 April PAYE: Large Employers for the period 1 May to 15 May		
28 May	GST: Return and payment due for the period ended 30 April. Provisional Tax		
	1st Instalment (January balance date) 2nd Instalment (September balance date) 3rd Instalment (May balance date)		
31 May	FBT: Return and payment due for the quarter ended 31 March (Quarterly basis) and the year ended 31 March (Annual basis)		