

October • 2019

OUR NEWSLETTER FOR GROWING BUSINESSES

A word from Ed ...

Hi, and welcome to our October newsletter.

For our clients who have a Trust or are considering setting up a Trust, the new Trusts Act 2019 has now received royal assent, and the Act comes into effect on 31 January 2021. So that gives a reasonable timeframe to make sure your trusts are up to speed in terms of the basic requirements detailed in the Act.

There are mandatory and default duties for trustees to abide by. One of the important duties is to disclose basic trust information to all beneficiaries which will include:

- ❖ the fact the person is a beneficiary of the trust
- ❖ the names and contact details of the trustees
- ❖ beneficiaries are able to request a copy of the terms of the trust or "other trust information" which is thought to include financial information of the trust.

Note: It will be important to determine what trust information is provided to your beneficiaries and when, and we would encourage you to do this prior to 31 Jan 2021.



Whether you're a solopreneur or managing a team, the more balanced, flexible and diverse your business is – the healthier it will be.

So, over the next few months, shine a light on your HR. Take an honest look at your gender pay gap, consider more flexible ways of working, research better performance reviews, or commit to creating a sustainable work/life balance. One thing's for sure, looking after yourself and your people will give you a competitive advantage and set you in good stead for 2020.



Xero is hosting free small business information sessions!

Thursday 21st November
Christchurch Town Hall

This is a great opportunity for you to learn more about Xero, including tips and tricks to help you become more efficient in managing your business accounting. We hope you can find some time in your day to drop in on the 21st.

Drop in between 9:00am-4:00pm

Drop in between 9am and 4pm to speak to a Xero expert. You're welcome to bring your own device and any questions you might have with you.

Evening Sessions 5:30pm-7:00pm

In addition to their daytime drop in sessions, Xero will be hosting evening sessions. These sessions include useful tips and tricks to help you get the most out of Xero. You'll also have the opportunity to meet with app partners to better connect your business to the cloud.



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Why closing the gender pay gap is good for business

While the gender pay gap is smaller than a decade ago, a collection of top New Zealand business people are working hard to reduce it further. CEOs and Chairs from companies such as IBM, Saatchi and Saatchi, PwC and Vector have joined Champions for Change. Together, they're advocating for greater inclusion and diversity within their own organisation, sector, and the wider public arena. Why? Because creating gender balanced workplaces is not only the right thing to do, it's the smart thing to do.

What are the business benefits of closing the pay gap?


- **Good for your bottom line.** Research shows the most gender-diverse companies are 21% more likely to experience above-average profitability.
- **Good for your brand.** People will be attracted to buy from you and work for you, if you're committed to equal pay and a diverse and inclusive workplace.
- **Great for brain power.** A gender balance ensures multiple perspectives, which sparks creativity and innovation.
- **Great for sales.** A diverse workforce better represents your customers, which means you'll communicate with them more effectively.

So, does your business have a gender pay gap?

Look at your people data; how many men and women work for you? Are there more men at senior levels or in roles that lead to senior positions? What's the difference in pay between all men and all women? Once you know where your problems lie, you can start fixing them.

Four smart ways to address the pay gap

- **Lead from the top:** Everything you say, do, measure, and prioritise impacts your business's culture. Treat gender diversity as a business priority. Help build a respectful, accepting workplace where everyone feels safe and supported.
- **Make a plan to make a difference:** Carry out a pay equity audit, set yourself a target, then put aside money to review and address the issues. Look at all levels of your business, from the way you advertise jobs to professional development opportunities.
- **Be aware of bias:** Around 80% of the gender pay gap is driven by hard-to-measure factors, including bias, which often creep in when making recruitment, performance and pay decisions. Make decisions based on transparent, performance-related criteria, have group sign off, and use gender-neutral language in job descriptions.
- **Get flexible:** Tap into a bigger talent pool by showing you support employees on, and returning from parental leave. Consider ways people can work from home, condensed hours, flexi-time and job share.



On average, Kiwi women earn 9.2% less than men

“For me, unconscious bias is the main challenge – addressing it starts with looking in the mirror and realising that you have it whether you are aware of it or not.”

Simon Mackenzie, CEO of Vector.

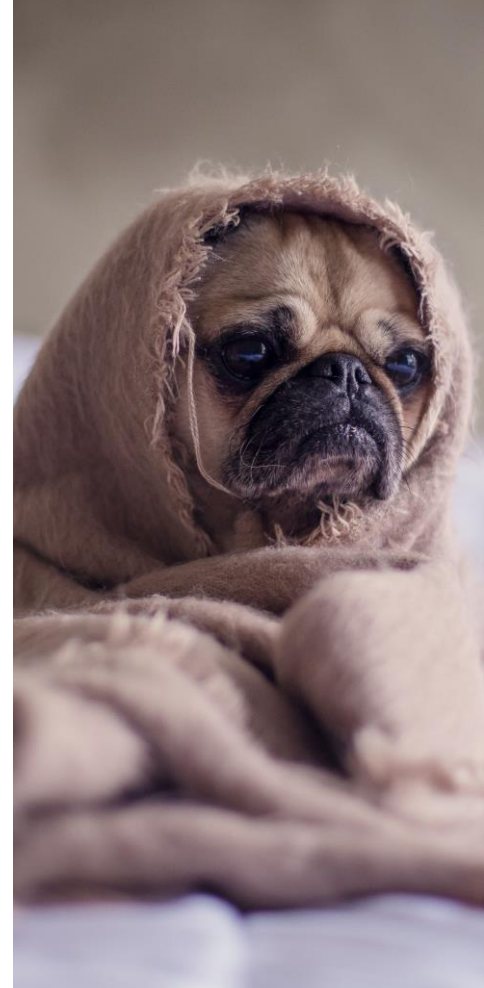
Work. Sleep. Eat. Repeat?

Find a better balance with these helpful hacks

Working harder is not always smarter. Burnout is common among business owners and staff who are pushed to the limits. Ultimately, it's not good for business or your personal life to be burning the candle at both ends. But how on earth are you expected to fit it all in?!

Here are some useful ways to create a crystal clear line between work and the rest of your life.

- **Draw the line:** Switching off at the end of the day requires discipline. When you get home, turn off your notifications (Slack, Facetime, everything!) and make a point of saying to yourself: 'I'm going home and I'm going to be me.'
- **Prioritise:** Write down what you do each day, week, month and how long it takes you. You'd be surprised how many opportunities you'll find to manage your time better.
- **Set ground rules:** It's way too easy to ditch the gym/friends/family to finish off that 'last thing' at work. Make a list of unacceptable personal actions and check it often to make sure you're respecting your own boundaries.
- **Get your 'om' on.** Meditating, or stopping to take five deep breaths does wonders for your stress levels. Next time you're waiting for something (traffic, coffee, a creative idea to emerge), just breathe.
- **Delegate at work AND at home:** The more time you spend working 'on' your business, the better - so delegate the repetitive, time consuming jobs or the admin/accounts work to other staff members or outsource. Are you spending precious weekend hours doing things you don't enjoy? Could you hire someone else to take them off your hands?
- **Schedule breaks:** Personal life suffers if you don't make time for it. Schedule in your exercise/relaxation/downtime as if it were another work responsibility. Soon enough it'll be your favourite 'appointment' of the day.
- **Lead by example:** Striking the right balance between your work and personal life will inspire your staff. And, research says employees with a good work/life balance are more motivated, productive and satisfied. Win-win!



The busy person's guide to stress-free performance reviews

How well are your staff performing? Do they love their job? Performance reviews, an open two-way conversation held once or twice a year, are a great way to find out. While you're not legally bound to do appraisals, they're a great tool to keep your business running smoothly.

1. Open communication lines early

Whether you have five or 50 staff, communication is key when it comes to performance reviews. Let your staff know early (ideally during induction) what goals and objectives they need to meet and give them a chance to voice their ideas. By reviewing and updating these at each review, it will be easier to explain why they've received a less-than-perfect appraisal if their performance wanes.

2. Address challenges ASAP

If an employee is under-performing, there are a range of things you can do to help. Just make sure you do it sooner rather than later. Try observing them and gently offering constructive advice to help them do their job better. You could offer extra training to improve their skills if necessary. Consider any challenges they're facing outside of work - flexible working conditions may be a positive solution for both of you.

3. Preparation is key

Give your employee at least a couple of weeks' notice so you both have time to prepare for the appraisal. Look at your employee's job description, notes from previous reviews and performance indicators in advance. Send your staff member a list of questions to review ahead of time, in relation to areas such as job satisfaction, responsibilities, and work/life balance. If your employee is a star-player, get feedback from other employees or key customers to support that view.

4. Keep it formal but friendly

A performance appraisal isn't Dragons' Den or a casual chat over coffee, it's somewhere in between. It's a chance for both of you to honestly discuss the role, whether goals have been met, what's good or bad about the job, and if their pay will increase and why or why not.

5. Write everything down

Take notes at each review and share a written summary with your employee afterwards to ensure you agree it's a true reflection of what was discussed. This is key if a staff member isn't performing because if you have to let them go, you'll have proof of warnings and the steps you took to try to help them improve their work.

6. Book in regular catch ups

Keep employees engaged and avoid potential issues by setting up informal chats once or twice a month. You don't have to wait for the full performance review to give staff feedback or get feedback from them.



Business Health Check

- Get familiar with the [flexible work legislation](#) and take ideas from the [Flexible Tool Kit](#).
- Take a good look at your business metrics and cash flow and if things aren't looking as flash as you'd like, or expected, give your accountant a call for advice.
- Check out the [Headspace app](#) for short, easy meditations on the go.
- If you're committed to gender equality and creating a positive work culture, show the world by becoming accredited with New Zealand's [Gender Tick™](#).
- Thinking of rewarding employees for a year of work? If vouchers or gift baskets aren't your thing, consider saying thank you in the form of time off or flexible hours.
- Get inspired by leading business people at [Champions for Change](#).



Property sales on IRD radar

Buying or selling a home? You'll now need to provide your IRD number as part of the transaction process. The change will allow IRD to know who's flipping owner-occupier homes on a regular basis, and better enforce the existing law that ensures people pay tax on the profit. The move won't impact the rules around who's required to pay tax on investment property though.

KEY TAX DATES - OCTOBER 2019

Date	Category	Description
7 October	PAYE	Large employers' payment was due. File employment information within two working days after payday.
21 October	FBT	Quarterly payment and return due.
21 October	PAYE	Small and large employers' payment due. File employment information within two working days after payday.
21 October	RWT	Return and payment due for deductions from dividends and deductions of \$500 or more from interest paid during September. Return and payment due for interest payments made between 1 April and 30 September where deductions do not exceed \$500 per month.
21 October	NRWT / Approved Issuer Levy	Payment and return for September.
29 October	GST	Payment and return for September.

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