



*September 2010*

## Staff News

After 42 years, Jim Kyle is retiring from Candy Gillespie. Jim came from Otorohanga in 1968 and has been a valuable part of the Candy Gillespie team for the 42 years since. He has formed some great relationships with his clients, seen many changes and we wish him well in his retirement.

Pam Shaw has recently left Candy Gillespie to take on a role in Hamilton. Pam has worked for Alan for the past 10 years and originally started with us back in 1994. We'll miss Pam and wish her well in her new employment.

Fiona Venk has recently started with us and joins Alan's team processing GST returns and annual accounts. Fiona joins us having previously worked in another accounting practice but more recently a period of maternity leave.

## GST Changes

Please refer to our enclosed GST update.

## PAYE Changes

The government has made more changes to personal tax rates!

As a consequence, new PAYE rates come into effect from 1 October 2010. This means you need to start using the new rates to calculate the correct amount of PAYE to deduct from employees' salary and wages for pay periods ending on or after 1 October 2010.

Make sure you get the PAYE calculations correct from 1 October, so your employees receive the appropriate amount. If you use a payroll system, you should have or be receiving an upgrade.

If you need advice please contact us to make sure that you continue to complete your employer monthly schedule (EMS) with the correct figures. Nikki White is our payroll expert and already handles payroll for a number of our clients.

## FBT Rate Changes

The FBT rates are also changing from 1 October, please contact us if you need help to calculate the changes to the Fringe benefit tax rates.

## Looking ahead

Who knows, volatility is here to stay. What we can look forward to is:

- Ø The recession is not over in some sectors & for some the hurt may still be to come.
- Ø There is now pressure on the reserve bank to hold off putting the OCR (Official Cash Rate) up as previously indicated.
- Ø Is NZ changing its attitude around floating versus fixed interest rates, short term rates are still cheaper?
- Ø Property & land sales may well take some time to recover
- Ø Our major trading partners, Australia & China, are in much better shape for a recovery than the US & parts of Europe.