

UHY HAINES NORTON NEWSLETTER

December 2016

From Our Directors...

It's hard to believe that another busy year is nearly over! Once again we have asked our Directors to reflect on their highs and lows for 2016.

"A Continuing Strong Economy"

Where has 2016 gone? At a personal level, the highlight of 2016 was when Sandra and I spent three weeks touring France with our adult children and their partners. France is an absolutely beautiful country to visit and we thoroughly enjoyed the whole experience.

The year has brought the normal raft of tax and business activities. Most clients seem to be enjoying the benefits of operating in a robust economy and an Auckland property market that continues to rise.

While the world scene remains uncertain (Brexit/Trump/EU), the outlook for 2017 in Auckland and New Zealand is a continuing strong economy being supported by a robust housing market.

All the very best for a safe and happy Christmas and holiday period.

Tim Livingstone



"An Interesting Year"

2016 has been an interesting year, both nationally and internationally.

We are fortunate to live in a country that is fundamentally sound and secure - despite the occasional earthquake - which continues to perform well in the face of ongoing global uncertainty.

The last twelve months have shown us that we should take nothing for granted and reinforced a seemingly growing appetite for change - think:

- Brexit
- American Presidential Election

We saw that if you are apathetic or simply don't care you will most likely end up with something or someone that you didn't necessarily expect or plan for.

We have also seen that there are always people waiting in the wings for their chance to do things bigger, better and brighter than the last lot - think:

- All Blacks
- American Presidential Election
- NZ National Party Leadership



I'm sure 2017 will also be interesting, bringing with it our own elections and whatever they may result in for the next three years.

Anyway, 2016 has come and gone, so I hope you all have a happy and safe Christmas and New Year with family and friends.

See you in 2017!

Kerry Tizard

"Exciting Year"

It was another challenging and exciting year for the UHY Haines Norton Audit and Assurance division. The highlights included the firm's appointment as Auditor General approved auditors, being appointed as auditor for 31 schools, the appointment of a new Director and a third FMA registered auditor.

We have enjoyed working with our clients, as always, and wish everyone the very best for a safe and happy holiday season. We thank you for your custom and look forward to working with you all again in 2017.



Sungesh Singh

"A Good Year"

Another year has flown by at a great rate of knots. I would like to thank the staff of Kumeu and Helensville for all of the hard work everyone has put in. It has been the second year running for the Kumeu office, with a lot of positive changes taking place. All-in-all it has been a good year, and we are looking forward to taking a break over the holidays.

Merry Christmas, and have a safe and happy break.



Mark Foster

"New Year - New Goals - New Dreams – New Opportunities"

2016 has certainly been an eventful year. We have been through the Brexit and Donald Trump winning the US elections. New Zealand, although largely shielded from such events, has seen its own issues like the housing price crisis and the upward pressure on our NZ dollar. Things do look like they are stabilising now, and we are quietly confident of what 2017 might bring.

At UHY Haines Norton we have seen some great success stories with exceptional growth that some clients have realised over the past 12 months. We wish our clients much success and prosperity in 2017.



We are proud to announce that we have been officially appointed as auditors for the Office of the Auditor General ("OAG") in 2016. This gives us a good platform to undertake OAG audits for the coming years.

Lastly, I would like to say a big thank you to all the staff at UHY Haines Norton for working hard through the year. We are a much stronger firm because of our staff.

Wishing you a Merry Christmas and prosperous 2017. Looking forward to the hope, wonder and joy that the season will bring!

Bhavin Sanghavi

“Thank You”

I sincerely hope you all get a chance to take a breather over the summer break and enjoy time with family, friends, and in the great outdoors.

Thank you for your continued loyalty to us here at UHY.

In lieu of sending Christmas cards this year, UHY Haines Norton has donated to the Waitakere Salvation Army. This extremely busy, hard-working centre is dedicated to improving the lives of West Aucklanders by providing assistance, hope and practical skills to those in need.



Merry Christmas!

We hope you enjoy our final newsletter for the year, which contains articles on:

- Holiday Office Hours
- New Director Announcement: Congratulations to Bhavin Sanghavi
- Announcing the UHY Haines Norton Study Scholarship 2016 Winner
- Taxing Matters
- Client News: Michael Cooper's 25th Anniversary Milestone
- Staff News: December 2016
- On a Lighter Note: Christmas Humour

Best regards

Grant Brownlee

Managing Director

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Holiday Office Hours

Best wishes for a Merry Christmas and a Happy New Year from the team at UHY Haines Norton

Holiday Office Hours

Henderson Office, 22 Catherine Street

Closes 12:00pm Thursday 22nd December 2016

Re-opens 8:00am Monday 16th January 2017

Kumeu Office, 329A Main Road

Closes 12:00pm Thursday 22nd December 2016

Re-opens 8:30am Monday 16th January 2017

Helensville Office, 34 Commercial Road

Closes 12:00pm Thursday 22nd December 2016

Re-opens 8:30am Monday 16th January 2017



New Director Appointment

UHY Haines Norton is delighted to announce the appointment of Audit Manager, Bhavin Sanghavi, as a Partner. Bhavin joined the firm's Audit department 11 years ago, which at the time consisted of just three staff members. His natural leadership skills, professionalism and initiative resulted in a number of internal promotions, from Senior Auditor to Supervisor, and then Manager.

Bhavin is originally from Mumbai, India, where he completed a Bachelor of Commerce degree before moving to the United States to achieve CPA (Certified Public Accountant USA) membership. Immigrating to New Zealand in 2004, Bhavin then completed his post-graduate diploma before joining the ranks of UHY and thereafter obtained membership to the New Zealand Institute of Chartered Accountants.



Bhavin has played an instrumental role in developing and expanding the firm's Audit department, which has tripled in size and fee base. Today it is one of the largest teams in a mid-tier accounting firm in New Zealand and boasts of having the only three licensed auditors in West Auckland.

The UHY Haines Norton Directors' decision to promote Bhavin to Partner status was in recognition of a combination of factors. Audit Partner Sungesh Singh comments, "Bhavin demonstrates all of the attributes of a professional who is hungry to succeed. We feel that with his 'go getter' attitude, combined with his tremendous passion and drive, he will certainly get there. These are exciting times for our firm and we look forward to unlocking the tremendous potential that Bhavin has."



Bhavin has been a recipient of a Pathways to the Future Trust Award in 2013 (pictured right with Hon Paula Bennett), which was in recognition of his outstanding personal achievements and contribution to the workplace. He was also awarded the Dale Carnegie Award for Leadership Innovation in 2014.

Bhavin explains that auditing has been his lifelong passion: "Being from a business family, I have always been intrigued by what makes a business succeed, and I am passionate about providing clients with friendly, practical and high-quality advice."

"I have loved working at UHY for the past decade. Everyone here is made to feel like part of the family

and that's what I think is our biggest strength."

"I'm looking forward to the next phase of strong growth and development of the UHY brand. My vision for the future is to help UHY grow into a well-known brand all throughout New Zealand."

Bhavin is married to Annette, a trainer with the Auckland Chamber of Commerce, and they have two young sons. In his free time he likes to play cricket and squash at a competitive level and spend time with his family.



The UHY Haines Norton Study Scholarship Winner 2016: Congratulations to Reagan Davis

We are thrilled to announce that the winner of the UHY Haines Norton Study Scholarship 2016 is **Reagan Davis**, a Year 13 student from St Dominic's Catholic College. Reagan will receive NZ\$6,000 towards her tertiary education.

Reagan has an outstanding academic record, achieving excellence for NCEA Levels 1, 2 and 3. At the school's 2016 Senior Prize Giving, Reagan was a multiple-award winner, receiving the Diligence Award, the Commerce Award, and top Senior Scholar for Statistics and Economics.

We were also impressed by Reagan's commitment to many extra-curricular activities at St Dominic's. As a member of the school's Tongan Group she has had the opportunity to embrace and celebrate the Tongan culture, which culminated in performing at the 2016 ASB Polyfest. Sport plays a big role in Reagan's life, being a member of the First 11 hockey team, the Senior A netball team, and giving after-school swimming lessons in the summer months. Reagan has also been a member of the Young Vinnies, a volunteer group for Catholic youth. The Young Vinnies have initiated a number of collective projects to support the wider Auckland community, including can appeals, stationery drives, homework clubs and breakfast clubs.

Reagan says she is very grateful for all of the opportunities that St Dominic's Catholic College has given her, and believes that one of the school's many strengths is embracing and celebrating diversity.

Although Reagan changed primary schools several times during her childhood due to her mother's military job, she believes that this has made her more tolerant of change, and given her a confidence to deal with anything that life may throw at her. She has now been settled with her mother in Henderson for the past 7 years, and loves the great sense of community that West Auckland has. She credits the Trusts Community Foundation for actively providing a lot of help and support to West Aucklanders.

Although Reagan's schedule leaves her with little spare time, she values hard work and believes that a busy schedule makes her work harder: "Nothing comes easy. If you really want it then you're going to have to work for it".

Next year Reagan plans to commence a Bachelor of Commerce degree at the University of Auckland, probably with a double major in Management and either Operations and Supply Chain Management or Marketing. In the future she sees herself in a business role, and although she would like to travel, thinks that Auckland will always be home.

We are sure that Reagan's enthusiasm, strong work ethic, academic talent and consideration for others will ensure her great success as she embarks on the next phase of her life.



Taxing Matters

- Previously, we advised that business gifts to customers comprising of food and drink were 100% tax deductible for income tax purposes. However, Inland Revenue have now changed their position on the classification of these items. As of 1st September 2016, gifts of food and drink are now classed as 'entertainment expenses' and are therefore only 50% deductible.
- The Government has released "PAYE Reporting – Better Administration of PAYE", a document providing early information about proposals likely to be considered in 2017 to make the administration of PAYE simpler. The intention is to integrate tax obligations such as PAYE information into the employer's systems and processes, essentially making tax obligations part of the process of paying employees rather than a separate function. The proposals include:
 - Employers to file PAYE information on a payday basis from 1st April 2019.
 - Employers using payroll software would be able to file information directly from their payroll system.
 - The threshold for electronic filing of PAYE information (as opposed to paper filing) to be lowered from \$100,000 per year of PAYE and ESCT deductions to \$50,000 per year.
 - The due dates for PAYE to remain the same, although employers would have the option to make these payments on payday.
 - Removal of the payroll subsidy, which subsidises employers to outsource their PAYE obligations to listed payroll intermediaries, from 1st April 2018.



Please contact us if you have questions regarding this or other tax deductible items.

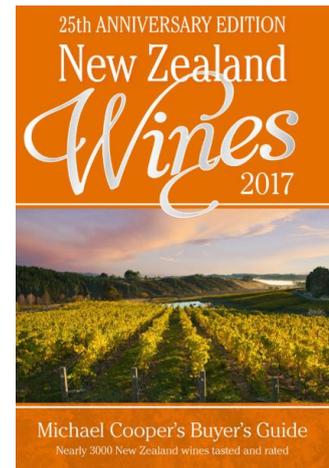
Client News: Michael Cooper's 25th Anniversary Milestone

Congratulations to Michael Cooper, who has released a 25th anniversary edition of "New Zealand Wines: Michael Cooper's Buyer's Guide". This is an impressive achievement unmatched in New Zealand by any other annual (with the exception of a cricket almanac and rugby annual).

Back in 1990, Michael published "Michael Cooper's Pocket Guide to New Zealand Wines and Vintages", which included a small section star-rating significant New Zealand wines. Both the public and critics responded so well to the star ratings that in 1992 Michael published the first issue of "New Zealand Wines: Michael Cooper's Buyer's Guide", which concentrated on rating the wines rather than the wineries themselves, and sold more than 10,000 copies to reach number two on the national bestseller list.

The books have grown to reflect the expansion of the country's wine industry. While the 1992 edition rated 800 wines, the latest 2017 edition now features nearly 3,000 wines. The varieties have also evolved in line with the industry's progression. For example, only six Pinot Gris were rated in 1992, compared to 300 in the latest edition, and Pinot Noir has grown at a similar rate.

The 25th anniversary edition of "New Zealand Wines 2017: Michael Cooper's Buyer's Guide" is on sale now.



Staff News December 2016

We are delighted to welcome a new Senior BAS Accountant to our Henderson office. **Gopalakrishnan Ramachandran (Gopi Ram)** has substantial international accounting experience, including an Audit Manager role in India and Accountant for a specialist Chartered Accounting practice in Botswana. Gopi, his wife and two children migrated to New Zealand over 10 years ago, where he has extended his Chartered Accounting experience. In addition to watching cricket, Gopi enjoys walking, and has plans to walk the Routeburn track early next year.

Congratulations to **Samson Ali** in our Audit division, who has successfully passed his Financial Reporting CPA module.

On Saturday 26th November, a team of UHY Haines Norton staff, family and friends took part in the **Walking Stars 2016** night time half-marathon night walk through Auckland city. Congratulations to everyone who took part in this annual event to raise vital funds for cancer research and care services.



“Arrrr me hearties!” This year we had a lot of fun with our pirate-themed float in the Kumeu and Helensville Christmas parades held on 2nd and 3rd December respectively. Our float was a pirate ship extravaganza with a pirate (naturally), cannons, treasure chest, barrels... and with the good sports from the Kumeu and Helensville offices walking alongside handing out literally hundreds of lollipops.



On Thursday 8th December our offices exploded with Christmas creativity for the Christmas Hub Decorating Competition. Each hub was given just two hours to decorate in a theme of their choice in a bid to win the coveted title of 'Best Christmas Hub'. Once again, competition was fierce as the offices erupted with tinsel, snow, fairy lights, Santas, reindeer, trees, stars, stockings, carols... Congratulations to the Kumeu office with their winning nativity entry!





On a Lighter Note: Christmas Humour

