

ACCELERATE

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OUR NEWSLETTER FOR GROWING BUSINESSES



As the workforce undergoes digital transformation, and we continue to live alongside Covid-19, it's a relief to discover a [survey by Otago University](#) found 71% of respondents positive about their productivity while working from home.

But what impact does the new way of working have on your business? Are you up to speed on who pays home office expenses? Thought about what your company would do if you were sick for a week? Feeling time-poor and want to change that? Read on for insights and answers to these questions - and more.

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Navigating the new world office

Pre-Covid, we never would've imagined working from home could be so welcomed and productive. The pandemic has pushed many companies to make the long-needed leap into the digital world, and as a result, remote working offers a lifestyle like never before.

Now, your team can ditch the commute, gain more flexibility for family life, and avoid the distraction of a busy workplace. The changes, however, have thrown up some fresh questions regarding accounting, culture, and connectivity.

WHO PAYS HOME OFFICE EXPENSES?

- If staff are using their own telecommunications tools and/or usage plans for work purposes, even if they're not required to work from home, you need to reimburse them. The tax-exempt amount of the reimbursement is calculated in proportion to how much of the usage is work-related.
- If you provide staff with a work phone or device, it's up to you to cover the usage costs
- Say an employee needs personal home office furniture or equipment and pays for it themselves. You can choose to reimburse them by using:
 1. the safe harbour option, where reimbursements of up to \$400 can be treated as exempt income for furniture and other equipment. [Find out more.](#)
 2. the reimbursement option, which requires you to identify the cost of the asset and work out whether it's being used principally for employment or private purposes.

HOW DO I KNOW MY STAFF ARE WORKING EFFECTIVELY?

The swift move towards remote working has left many businesses without a culture to match the new work practices. Create policies that directly address new challenges posed by remote work to help your company culture carry over into the digital world and provide employees with much-needed guidance. Consider adopting regular informal one-on-one check-ins rather than time consuming annual performance reviews. You will enable your team to be more transparent about how they're feeling, address any concerns, and stay on track to reach their goals.

HOW DO WE RETAIN A FEELING OF TEAM CONNECTIVITY?

From virtual yoga to online clubs and cooking classes, 2022 will see more teams building their culture online. Friday drinks can be conducted via Zoom and group trivia sessions can create a feeling of fun and camaraderie.

While some staff will be enjoying the convenience and sense of freedom that comes from flexible working, be mindful others might be experiencing stress, feel overwhelmed or isolated while navigating the new way of working.



Could your business survive without you?



Would your business still thrive, or would it suffer a catastrophic failure if you suddenly stepped away?

It's tough to remove yourself from the day-to-day operations when you're passionate and busy. However sudden accidents, illnesses, or family emergencies can – and will – happen and you need to be able to step back knowing your systems are robust enough to cope.

For your business to work for you, you need to make yourself replaceable. Large corporations have plans in place to mitigate what's known as 'Key Man Risk'. But when you run a small entrepreneurial venture, who is the backup?

The more you can train and empower your team to perform the business's essential daily functions without micromanagement, the closer you'll be able to enjoy a lifestyle business.

Establish repeatable and scalable support infrastructure to run the daily operations and create a great team that you can lean on. Your staff need a common purpose – knowing why what they're doing matters – as well as clear expectations around their roles. By creating a suitable work environment, where employees both individually and as a team are more efficient and likely to enjoy what they do, you'll breathe easier knowing they have your back (and your business) in an emergency.

Finally, it's important to know what the business looks like without you. An exit strategy is often thought of as the way to end a business – which it can be – but in best practice, it's a plan that moves a business toward long-term goals and allows a smooth transition to a new phase. That may involve re-imagining business direction or leadership, keeping financially sustainable, or pivoting for challenges.

A fully formed exit strategy takes all business stakeholders, finances and operations into account and details all actions necessary to sell or close. Strong plans recognise the true value of a business and provide a foundation for future goals and new directions.

Top Tips:

No one is irreplaceable – Challenge yourself to step away for a week. Which systems fall over? Which procedures get left hanging? Which duties get ignored? Go cold turkey as a test case for the time you may have to leave your business in the hands of others.

Embrace innovation – Get systems that are simple, streamlined, effective and can be used by multiple key team members. Make sure anyone can log in and see exactly what's needed for what reason at any time.

Recognise the value you're creating – A business that doesn't rely on its owner is worth a lot more when the time comes to sell or pass the reins to someone else

Time is money - make the most of it

We're all familiar with the phrase 'time is money' so why isn't it tracked in the same careful way as our finances to maximise both? Remote working has brought with it a wave of disruption and time is a hot commodity. Here are four ways you can re-set and prioritise productivity.

#1 Get your team on the same page

Streamlining your online systems ensures everyone has access to the same information to avoid doubling up on work. Sites like [Monday.com](#) or [Asana](#) manage tasks and track progress with easy-to-read charts and tables.

#2 Appoint a chief time officer

Believe it or not, larger companies are making this a standalone role to improve efficiency. Smaller businesses could make it part of someone's role or raise the issue in meetings, so it stays front of mind.

#3 Watch your waste

Take a moment to evaluate simple things like the steps taken to get from one place to another that may be sucking up time. Is the movement unnecessary and therefore unproductive? Are you using energy to shift stock when it could be stored in a smarter location? Could there even be creative ways to harness your employees' talent rather than letting fresh ideas go to waste?

#4 Get some help

An effective boss can accomplish a huge amount, but nobody can do it all. Leaders are constantly forced to make trade-offs between extremely important priorities. Focusing on any one thing means neglecting something else, so task an assistant with keeping you on track, on time, and removing incidental tasks from your plate.



Get up to speed with employment law changes

- From 1 April, the minimum wage rate increases from \$20 per hour to \$21.20. Communicate the change with your employees in writing and if you have staff on salary, make sure their total remuneration meets the requirements.

- The Holidays Act is getting revamped bringing new ways of calculating holiday pay and other leave entitlements and the ability for employees to take annual holidays in advance. Jump on [MBIE's website](#) for more information.

- This year sees the addition of a new public holiday, Matariki, to be marked on Friday 24 June.

- We expect to see a fair pay agreements Bill introduced this year. People will have an opportunity to comment on the Bill during the Select Committee process.

- Dependent contractor protections are under review by MBIE with measures expected to include extending statutory minimum entitlements for leave and ensuring dependent contractors have the right to bargain collectively. Watch this space!

We'll keep you up to date as further developments are announced.

KEY TAX DATES – APRIL 2022

Date	Category	Description
5 April	PAYE	Large employers' payment due. File employment information within two working days after payday.
7 April	Terminal Tax	Terminal tax due for 2021 income year for clients whose tax returns we prepare.
7 April	FBT	Income year FBT returns due for clients who file on this basis and whose terminal tax is due on this date.
20 April	PAYE	Small employers returns for March. Large employers returns for April. File employment information within two working days after payday.
20 April	RWT	RWT return and payment due for deductions from dividends and deductions of \$500 or more from interest paid during March.
20 April	N-RWT / Approved Issuer Levy	Payment and return due.

Note: no GST due in April, the GST monthly return for 31 March is due on 7 May.

Disclaimer: This publication has been carefully prepared, but it has been written in general terms only. The publication should not be relied upon to provide specific information without also obtaining appropriate professional advice after detailed examination of your particular situation.