



December 2012 Newsletter

This Issue

Payroll Woes? – If it's too hard, let us do it for you.

Workshop Update – Schedule to be mailed next week.

Spreadsheet Update - 2.0 is *awesome!*

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CCA is closed between 21 December and 6 January.

Happy Christmas



This has been a pretty interesting year for us, very exciting and also very rewarding. We've learned a lot about community organisation's needs and issues, and next year will be about finding the best ways to address them. Providing free or cheap accounting and admin support for non-profits, who are mostly run by laypeople on little cash and lots of free labour, seems such a logical thing to do that it's amazing to think this hasn't been thought of before.

The government is increasingly moving to regulating the non-profit sector, especially when it comes to financial reporting. For larger entities this is not really an issue, but there is a danger that for smaller organisations it will all simply become too hard. New and more rules also offer more opportunities for disgruntled ex-volunteers or staff to seriously sabotage a group if they wanted to – unfortunately an all too common occurrence. Putting more and more requirements on non-profits also really takes the motivation out of volunteering – it becomes increasingly difficult to just do something good for someone else without creating a rat's tail of paperwork. Plus, an increasing amount of that precious donation money has to be spent on compliance and admin costs. Too many organisations have to spend virtually all their funds to pay an administrator, and rely on the actual charitable work to be done for free, by volunteers.

Increasing compliance requirements also means that the skill base of those working in the non-profit sector needs improving. The well-meaning at-home mum or dad willing to offer some time to make something good happen may find themselves to no longer be good enough if they don't have the right qualifications – ironically

exactly the kind of qualifications that would earn them far more money in any other sector. And as the Treasurer's job gets bigger and bigger, those wanting to do it will become fewer and fewer.

So my Christmas wish for this year would be that the powers in government, parliament and external review bodies start thinking about how the non-profit sector can be better supported, not how many more hoops it can be made to jump through.

Meanwhile, give yourselves a very big pat on the back for doing good for people, the environment, animals, culture or your neighbourhood, or just for supplying some plain good old fun. Happy Christmas to you all, and I am looking forward to meeting you all again in the New Year.

Harald

Payroll Woes?



Payroll (i.e. deducting PAYE etc) gives many non-profits a bit of a headache, especially when it comes to working out holiday pay, sick leave balances, or the intricacies of ESCT. Some non-profits only have paid staff (or contractors they have to pay Withholding Tax for) for parts of the year.

You can ask IRD for 'unpoliced' employer registration, which means you only have to file a PAYE return when you actually have something to file, and they won't hound you every month or charge non-filing penalties. This is a good option for organisations who maybe have one big event each year where they pay people but otherwise little activity and no paid staff.

There are a number of payroll software packages available, including online ones (for example smartpayroll.co.nz), which all do the job. As with accounting software, you'll have to know what you are doing, however – the software only does the math for you.

There is also the option of outsourcing your payroll and, in fact, some payroll providers are entitled to an IRD subsidy to handle payroll for small businesses. You will find a list of those here:

<http://www.ird.govt.nz/payroll-employers/returns-payments/payee-intermediary/>

If it is all just a big nuisance to you, you can also consider letting us do it for you. We can

- file your PAYE returns.
- work out all deductions and net pay for your employees.
- send payslips when required.
- keep track of holiday and sick leave entitlements for all your staff.
- keep track of any under- or overpayment balances.

You'll only have to do the actual paying yourself. For organisations over \$200,000 we charge our usual hourly rate – for those under that amount, the cost is \$3 per person per pay run and \$25 per PAYE return. So, if you have one fortnightly paid employee we can manage this for you for \$31 per month. As always, let us know if this is still unaffordable for you for whatever reason.

2013 Workshops Update

We have been a little delayed in getting the workshop schedule for the first half of next year out – this will be sent separately next week. The first scheduled workshops will be:

Financial Statements: What Do They Mean (19 February)

Using CCA Spreadsheets for Your Organisation (5 March)

Accounting for Grants and Government Contracts (19 March)

Spreadsheet Update

Our Accounting 2.0 workbooks are almost ready to go and will be posted on our web site (Resources section) next week. We won't get the manual done before Christmas, however.

You can look forward to new functionality: Project tracking (in addition to funding tracking), Budgeting and monthly reports. 😊