

mackay bailey butchard



Autumn 2011 Newsletter

Temporary offices

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We hope you, your family and loved ones are safe and you are now able to look towards the future. We have tried to keep in contact with you all over the past two weeks, but we are aware a number of you will not have received our emails. All our staff and families are safe, but our previous office at 262 Oxford Tce was severely damaged.

MBB Relocated Offices

We have now moved into our new office at 81 Treffers Road in Wigram. Our postal address remains as P O Box 13-311, Armagh, Christchurch 8141, and our phone number remains (03) 365 0129; or please feel free to continue to call the Partners directly on the numbers below:

Geoff Bailey	0274 401378
Tania King	0274 525335
James Nell	0272 122567
Michael Woodward	0272 244865

At present we only have one phone line into the office, so we apologise in advance for any difficulties in getting through; continue calling or leave a message and we will get back to you as soon as possible. Our temporary email address remains as mbbteam@fastmail.net and we will continue to post all updates and useful links to our website www.mbb.co.nz.

As you will appreciate, all of our appointment diaries and "to-do lists" have been lost. If you are expecting to hear from us regarding any ongoing matters, please ensure you remind us of the details and any action you are expecting us to have undertaken.

Client Records

Our office at 262 Oxford Tce has been "red-stickered", therefore we are proceeding on the assumption that we will be unable to recover any paper documents held in that office. It may be that, after engineering inspection, the building is accessible. Most client records are stored in our computer system and we have access to all our computer data up to 5.00pm Monday 21 February. We are currently working to assess what additional paper documents we will require to complete work in progress, and we will contact you individually.

Your Insurance Claim

If you have been affected by the earthquake, please read your insurance policy carefully. If you do not have a copy of this, contact your insurer immediately. Most business interruption insurance policies include cover for costs associated with preparing any

insurance claims. Please contact us if you require any assistance with preparation of your business interruption claim. Ensure you keep detailed notes of any discussions or meetings you have with anyone, e.g. insurers, suppliers, customers, in relation to any potential claim.

Christchurch Earthquake Support Subsidies for Employers & Employees

Another important issue is the various support packages available to businesses, employers and employees. See the attached flow chart to determine if you or your business is eligible for the Christchurch Earthquake Support Subsidies for Employers & Employees. The Employer subsidy is for businesses that have maintained their employment relationship with staff even if the only remuneration paid to them is the \$500 gross per week for fulltime or \$300 gross per week for part time staff funded by the subsidy. It is the employer's responsibility to apply for this subsidy.

The Employee Job Loss Cover is a weekly payment of \$400 net for fulltime and \$240 net for part time employees, paid over six weeks, whose employers are no longer able to operate as a result of the earthquake. It is the employee's responsibility to apply for this subsidy, and they can do so at www.workandincome.govt.nz.

While businesses with business interruption insurance are still eligible for the Employer Subsidy, you will be required to repay any employer subsidy received if you receive an insurance payout for wage cover. If in any doubt, apply for the Earthquake Support Subsidy.

Other Grants & Support Available

Red Cross Emergency & Hardship Grant – These are available to people living in their homes without services (water, power or sewerage), or people forced to leave their home due to damage or lack of services. These grants consist of \$500 for single people or \$1,000 per couple or family (per household). To apply see www.redcross.org.nz. Application forms are also available from any branch of WINZ.

There are also hardship grants available from Civil Defence for a range of circumstances. These are assessed on a case-by-case basis, and may be available to cover temporary accommodation costs, purchase of essential items and loss of income. Please contact the government helpline on 0800 779 997 for more information and to apply.

What is the Employer Support Subsidy?

Christchurch Earthquake Support Subsidy is a payment for employers to assist them to pay their employees while they deal with the impact of the quake, even if the only remuneration paid is the \$500/\$300 gross per week funded by the subsidy. The payment will be made directly to the employer who will then pay the employee. The wage subsidy will be paid:

- for up to 6 weeks from 22 February 2011
- at a rate of \$500 gross per week per full time employee (for employees working at least 20 hours per week) or a rate of \$300 gross per week per employee for part time employees (for employees working fewer than 20 hours per week)
- the subsidy is not subject to GST but is subject to PAYE when you pay your staff
- as a lump sum payment
- The first payment will represent a three week subsidy. You have an obligation to call the Government Helpline 0800 779 997 if you get your business up and running and you no longer need a subsidy. If you do not contact them they will automatically pay you a further three week subsidy.

If you have staff who have been injured or bereaved and who are receiving weekly compensation from ACC you are not able to get an Earthquake Support Subsidy for that staff member.

How do I Apply?

Applying online is the fastest way to receive your payment. Go to www.workandincome.govt.nz and enter details of the staff you want the subsidy for (employee names, date of birth and IRD number), plus your business bank account number, IRD number and contact details. If you don't know your IRD number, please contact us. If your employee's IRD numbers are not available, please apply via the government helpline and they will be able to access these from your previous PAYE returns.

If you can't get online, you can apply by phone on the government helpline on 0800 779 997. This line is operating 24 hours.

You can also apply at a Work and Income Service Centre and Work and Income mobile vans will have computers for people to use.

What information do I need to include?

You will need to provide:

- your business IRD number
- your business bank account number
- details of the staff you want the subsidy for (employee names, date of birth, IRD number, full time or part time).

This information will be confirmed by IRD before payment is made. At present, applications are taking 2-3 days to be processed.

If you employ more than 100 people, please apply via the government helpline on 0800 779 997.

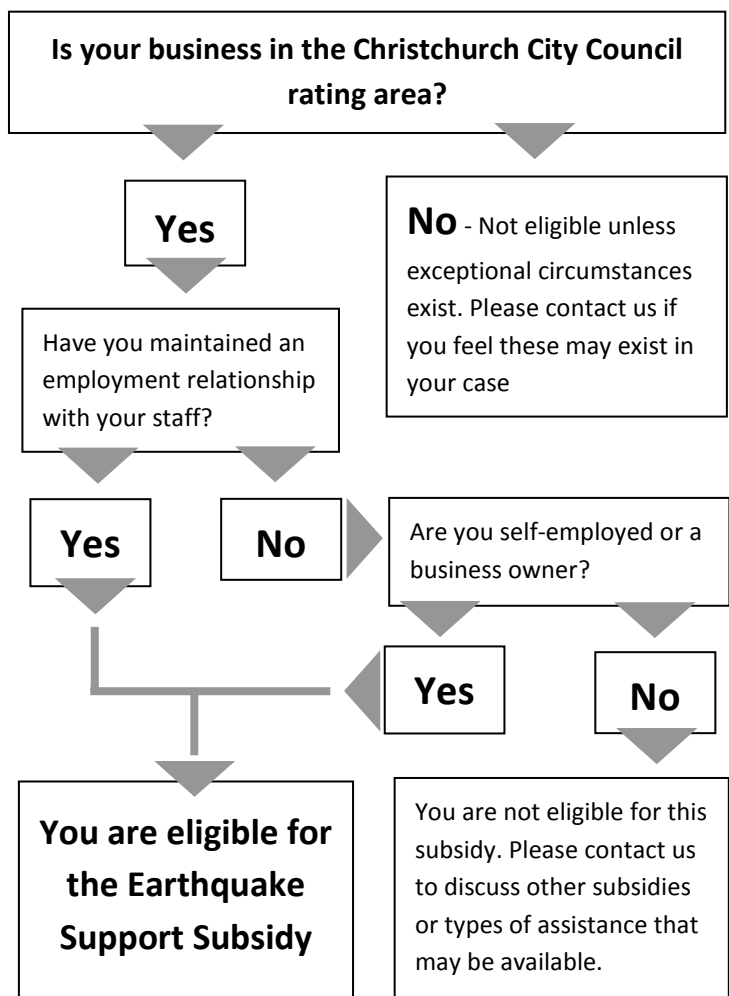
Inland Revenue Department – Returns

The Inland Revenue Department has advised us as follows:

- Unfiled GST returns due 28 February 2011 will not attract interest or penalties. We will prepare and file these returns as soon as we are able
- Unfiled Income tax Returns for year ended 31 March 2010 – The Inland Revenue Department have granted these clients an extension of time to 30 September 2011 to file their returns. Interest and penalties will not be charged. We will prepare and file these returns as soon as we are able

Please contact us at any time if you wish to discuss anything. We are solely focused on ensuring our clients and ourselves continue their businesses and recover from this tragic event.

Are you eligible for the Employer Support Subsidy?



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.