



REVIEW OF TAX TREATMENT OF LIVESTOCK

The Government is reviewing rules covering tax valuation of livestock under the herd scheme following the Inland Revenue's paper which also revealed it had led to losses of more than \$100m in tax revenue as a result of the 2007/2008 year peak in dairy cow values.

According to the IRD's August consultative paper the scheme has made it too easy for farmers to exit and re-enter the herd scheme resulting in this significant fiscal cost for the Government.

Accountants with rural specialisation have known for some time that with the right conditions livestock farmers could change livestock valuation methods and obtain tax advantages. Such conditions presented themselves in the dairy industry in 2007/2008 when livestock prices soared, moving into what was an unsustainable bubble.

► [Read More](#)

by Lyall Evans, Head of BDO Sheep & Beef Advisory Group

Published in The Gisborne Herald 24 September 2011

ANALYSIS OF PERSONAL GRIEVANCES IN 2010

The 2010 analysis of Employment Relations Authority (ERA) determinations highlighted that the number of grievances overall have continued to grow but at a more moderate rate than previously (591 in 2010 compared to 579 in 2009).

A successful (for the employee) personal grievance claim cost the employer an average of \$34,411 in 2010, of which \$14,419 was legal fees. For employees, a successful claim paid out \$11,023 on average after legal fees, of which \$5,543 was the average compensation award for hurt and humiliation.

The average cost to employers of defending an unsuccessful claim was \$9,880, and the average cost to the employee of bringing an unsuccessful

BUSINESS INSIGHTS

[Review of Tax Treatment of Livestock](#)

[Analysis of Personal Grievances in 2010](#)

[Workplace Productivity Snapshot](#)

[Compare your Business with Competitors](#)

www.bdo.co.nz

BUSINESS TRAINING

[How to do Effective Performance Appraisals](#)
26 October, Gisborne

[Transitions to Leadership and Management](#)
8 November, Tauranga

[Hiring the Right Person](#)
9 November, Gisborne

[How to Live Successfully with Stress](#)
17 November, Tauranga

[How to Live Successfully with Stress](#)
23 November, Gisborne

[How to do Plan and Manage Budgets](#)
24 November, Gisborne

ONE-TO-ONE TRAINING

If you can't make it to our training workshop or would prefer a one-to-one session, don't hesitate to contact us to arrange a suitable time. All workshop topics are available one-to-one at \$180 plus gst per hour.

IN-HOUSE TRAINING

claim was \$13,508.

Of the 84 unjustified dismissal claims that related to redundancy, 69% were successful. Dismissal for performance or misconduct resulted in 177 claims being determined by the ERA, of which 56% were successful. Of the 85 constructive dismissal claims, only 36% were successful. Disadvantage claims numbered 246 and 64% of these were successful.

If you find yourself in difficult employee relations situations, consult a trusted advisor before the situation escalates to the point where the employer is facing a potential personal grievance.

Robust performance management and employment processes can reduce an employer's vulnerability.

Source: Employment Today

Would your organisation benefit from customised training? We will deliver any of our programmes in-house and tailor them to the specific needs of your organisation.

CONTACTS

Ian Parker
06 869-1400
gistraining@bdo.co.nz
www.buseducation.com

WORKPLACE PRODUCTIVITY SNAPSHOT

This Department of Labour workplace productivity tool is designed for the owners/managers of small to medium businesses. It will not provide a 'scientific' analysis of your business's performance but it will show where you can make improvements in your business practice. Improving workplace productivity involves exploring all the ways that a workplace can do things better and smarter. Each workplace will have its own way to achieve this.

How to use this tool

Local and international research has identified seven 'drivers' that can improve the productivity of your business. They are:

- Building Leadership and Management
- Creating Productive Workplace Cultures
- Encouraging Innovation and the Use of Technology
- Investing in People and Skills
- Organising Work
- Networking and Collaboration
- Measuring What Matters

Complete the [questionnaire](#) now and discover how productive your workplace is.

Source: [Department of Labour](#)

COMPARE YOUR BUSINESS WITH COMPETITORS

Use Statistics NZ Industry Profiler to:

- get stats on small businesses by industry and region.
- compare numbers of new businesses, worker turnover, survival rates, and average earnings for staff.

To start the Industry Profiler [click here](#).

Source: [Statistics NZ](#)

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact your local BDO member firm to discuss these matters in the context of your particular circumstances. BDO New Zealand Ltd, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

BDO New Zealand Ltd, a New Zealand limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities. For more info visit www.bdo.co.nz.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

©BDO 2010.