



Polson Higgs Advice XXI

Last night at 11:59 Auckland moved back to Level One, joining the rest of the country. Even though there is a sense of déjà vu around these announcements, it is still great news and an important step forward for the country.

In this newsletter we are going to look at:

- Level One and new habits
- Cashflow models
- The new Trust Act
- Being dementia aware
- The Great PH Challenge
- New Website

Level One and new habits

When we last moved (as a country) to Level One we were euphoric and that euphoria subsequently turned into complacency. The same is not true this time, the feeling is more of a guarded optimism.

We have over the past months developed new habits in how we behave - using payWave, scanning QR codes, hand sanitiser etc. Those new habits are key to ensuring that we don't end up yo-yoing between Levels. It is important that we continue with these "new habits", even as we enjoy the freedoms of Level One.

Cashflow models

Like everyone, we have our fingers crossed that we will stay at Level One, but there is always a possibility that other outbreaks will bring changes to the Levels. Because of that possibility we have been talking a lot about the importance of Business Continuity Plans (BCP) and the role they should **play**. These are not only important to anticipate the impact of Level changes but also to consider general economic uncertainty as well.

An additional tool alongside your BCP are cashflow models. These models enable you to see what will happen to your businesses cashflow, and what impacts different scenarios may have. The models begin using your historic data (sales, expenses etc.) and then certain "what if" scenarios are run to see what may happen.

You will now have over 6 months' worth of trading data under the differing levels. This data can be used to create different cashflow models which show how your business may trade if there is any change in the current Level. This means that if there is say a change to Level 2 or 3, you can review the models and see immediately the possible impact on your cashflow and more importantly plan how to respond.

Now is the time to build those cashflow models, as they will be as important as your BCP if there are any changes in Levels along with changing economic conditions going forward. If you want to know about cashflow models don't hesitate to ask your Partner or Manager at Polson Higgs or email covid19@ph.co.nz.

Trusts Act changes

There is a new Trusts Act 2019 which comes into effect from 31 January 2021. It introduces significant changes to how Trusts will operate. If you have a Trust, we will be contacting you in the near future about what these changes mean for your Trust, the trustees and beneficiaries. The main changes that the new Act brings are:

- The maximum lifespan of a Trust increases to 125 years.
- Mandatory duties for all trustees.
- Default duties that will apply to every trustee unless modified or excluded in the Trust deed.
- A requirement for trustees to hold copies of core Trust documents.
- New disclosure requirements to any beneficiary of a Trust unless there are exceptional circumstances.

If you would like to find out more about these changes, you can read about them [here](#).

If you have any urgent questions about how these changes may affect your Trust, or you are thinking about setting up a Trust, please contact your Partner or Manager at Polson Higgs. Or you can email us at info@ph.co.nz, we are always here to help.

Being dementia aware

Polson Higgs are very proud to have been recognised as the first business in Otago to be dementia aware. This has been a major project with the entire team undertaking special training through Alzheimers NZ.

The training has been very valuable as it has improved the Polson Higgs team understanding of the effects of dementia. In addition, it has taught us how we can support and communicate with clients who are coping with dementia. This can be as simple as the structure of a sentence or the inclusion of written and oral language to help clients process information.



Alzheimers Otago Manager Liz Harburg and Jamie Reidie. Photography courtesy of the *The Star*

The “Great PH Challenge”

During September we have had a bit of fun with the “Great PH Challenge”. This has seen the staff divided into teams with various challenges being set for them each week ranging from a race to see who could complete a 1000 piece jigsaw first (only in tea breaks and lunch hours) to a Health and Safety quiz. With points for each challenge and more importantly bragging rights for the next 12 months, competition has been fierce.

One challenge was a series of riddles about landmarks in the Dunedin CBD that had to be solved (without Google) and a photo taken as proof.

The one riddle that stumped the Polson Higgs teams was:

“I am a whimsical gesture,
near the prayers of the faithful,
in a street for those
that rise at 10:30”

If you can solve it (without using Google), then email a photo of yourself by the landmark to marketing@ph.co.nz. The first correct one will receive a couple of bottles of wine as a prize.

New Webpage - we have added a new page to our website and are gathering different resources for you to use. Check out **Polson Higgs Covid-19**

If you have a question about anything please don't hesitate to ask on covid19@ph.co.nz.

Stay safe and keep in touch.

Kind regards

PolsonHiggs

Business advisors



Better
business
together.

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