

REPORT ON AUCKLAND BRANCH MEETING, 7 NOVEMBER 2018

Presentation by Carl Ferner: “Accounting for Translators in a Digital World”

At last Wednesday’s Auckland branch meeting, Carl Ferner, accountant and senior manager at BDO Auckland, delivered an updated version of his presentation on accounting and tax matters for freelance translators and interpreters given earlier in the year at the annual conference in Wellington. The talk was attended by 21 members.

Key topics and points included:

- The benefits of accounting software (e.g. Xero, MYOB): saving time and simplifying record-keeping and tax
- The expenses translators and interpreters can claim, those they can’t and the grey areas like overseas trips for language maintenance (hint: check with your accountant)
- GST registration: mandatory for any company or sole trader with annual revenue above \$60,000, but a win-win for exporters, as services sold to clients overseas are zero-rated for GST purposes while GST can still be claimed on expenses
- Provisional tax and the various ways available to pay it
- Company structure: for freelancers, operating as a limited company or as a sole trader carries similar benefits and costs. Operating as a limited company helps protect personal assets in case of a claim against translator. Costs of operating a company are higher but can be claimed as expenses.
- How to get paid faster: send invoices straight away, use online invoicing, make it easy for clients to pay by including links to bank transfer and/or credit card payment options, send late-payment reminders. Accounting software makes this easy to manage
- The benefits of using an accountant: not missing out on claimable expenses; better record-keeping; potentially significant discounts on accounting software; help in dealing with the IRD.

Amid the many useful time- and money-saving tips for translators and interpreters in an online world, audience members embraced Carl’s invitation to ask questions throughout, resulting in a convivial, informative and at times amusing conversation among professionals on taxation and money matters.

Many thanks to Carl from the Auckland Branch Committee!