



# Accumulo Consulting

## Client Newsletter

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## Welcome

Welcome to the third issue for 2012 of our client newsletter and our last for the year. This year has been a remarkable one for our company. With the integration of Crest Bookkeeping and Secretarial Services CC we have grown immensely, and acquired not only more business, but established new relationships.

We hope you enjoy the articles we have chosen for you containing practical business advice which we believe you will find a valuable read. Our article on the Accumulo Bowls and CANSA Challenge shows how we can make a difference when we all work towards a common goal.

## Is your Will Valid?

### Why draft a Will?

Your Will expresses your last wishes and can provide future financial security for loved ones. Without a valid Will they may find themselves facing uncertainty, anxiety and financial insecurity.

A Will lets you decide how your assets will be dealt with. South African law allows almost complete freedom in this, ensuring that only those you want to benefit from your estate will do so.

A Will can designate who will care for minor children. Failing to identify a guardian will require a court to do so on your behalf.

A well drafted Will can create financial security for beneficiaries, protect assets and ensure proper tax planning to avoid placing a hefty financial burden on your heirs.

### What happens if you don't have a valid Will?

If you die without a valid Will, your nearest blood relations will generally inherit.

Should no relatives be traceable, your estate will devolve upon the Guardianship Fund for 30 years. If no relatives lay claim to your estate during this time, it will be forfeited to the State.

### What are the requirements of a valid Will?

A Will must be signed in the presence of two witnesses who must also sign it in the presence of each other and yourself. Any amendments must comply with the same signing formalities.

A person who signs the Will as a witness cannot be a beneficiary; neither can the person who writes out the Will.

A Will can be revoked or altered at any time. It's good practice to review your Will regularly, especially after major life changes, like having children, getting married or divorced, or acquiring a large asset.

### Who should draft my Will?

You can write your own Will, but it's better if it's drafted by a qualified professional who understands the legal complexities involved.

*If you do not have a Will or have not recently reviewed it, please contact one of our directors.*



ACCUMULO BOWLS CHALLENGE

BOWLS 2012



CEO, Philip Neville, presents a cheque to CANSA



Handing Over of Trophy to The Accumulo Bowls Winners



Accumulo Staff



Accumulo Bowls Evening Activities

Accumulo Bowls Tournament Raises Funds for CANSA

Accumulo Consulting (Pty) Ltd sponsored a bowls tournament at Bedfordview Bowls Club on 25 and 26 August 2012.

The aim of the tournament was to highlight the plight of cancer victims in South Africa. On the final day Accumulo Consulting CEO, Philip Neville, handed a cheque for R150 210 to CANSA (see photo left).

We received tremendous sponsorship support from our clients and suppliers. Some sponsored cash to help with the costs of hosting the event, while others sponsored spot prizes or food items. Others made donations to the CANSA Challenge included in the amount mentioned above.

The tournament was attended by 100 club players from the East Rand region. They formed 24 teams and competed over five rounds in the two days.

There were cash prizes for the top four teams: a first prize of R16 000, second of R8000, while third, fourth and fifth prizes amounted to R5000, R3000 and R1000 respectively.

The Accumulo CANSA Challenge added

extra spice to the weekend. At the end of each round of the tournament a corner to corner competition took place with a bottle of Johnny Walker Black Label being awarded to the winner.

Teams enjoyed wholesome lunches and refreshments between each round, while discussing strategy and sizing up their next opponents. Our own staff prepared the lunches in the club's kitchens.

We'd like to say a heartfelt thanks to all the people involved in organising this year's tournament. The following deserve special mention for their efforts:

- Bedfordview Bowls Club for allowing us to host this event
- The teams and players for playing so fairly
- The sponsors and donors for giving so generously
- Cooks and kitchen crew who made such yummy food
- Staff of Accumulo Consulting for all their efforts
- Other Accumulo staff who gave their time to either assist on the day or help with preparations beforehand
- The Cancer Association of South Africa (CANSA)



ACCUMULO BOWLS CHALLENGE 25-26 AUGUST 2012 BEDFORDVIEW BOWLING CLUB



### Company Highlights 2011



Accumulo Bowls Challenge



Spring Day Breakfast



Prize Giving

# Client Newsletter

## How to Handle an Underperforming Employee.

(Adapted from an article by Rob Rankin in *Your Business* magazine.)

It's difficult to manage people who do just enough not to be caught out, but too little to excel. You must try to determine why an employee is underperforming.

Never assume you know the reasons for poor performance. Discuss your concerns with your employee. Find out why the employee is not meeting performance standards. Take the time to think about the answers you get. Don't make the mistake of responding immediately. Your employee will respect you for this.

If your employee's responses are unacceptable, say so. You need to set standards and make sure that they are understood. If the employee raises valid concerns, acknowledge these and explore ways to address them.

Get your employee to commit to an action plan and work out a reasonable time frame for improvement. Offer advice. Set goals and expectations and

consistently follow up. Monitor progress and meet regularly.

Document what has been discussed, deliverables agreed upon, and relevant timelines and send a copy to the employee. Written communication is essential.

If more than one employee is underperforming, you should consider whether your management style is problematic. Have you ignored problems? People often disengage if their poor attitudes are tolerated. You need to set the example and hold yourself accountable so that others want to follow you.

Work out what you think is a reasonable improvement time, and if the goals still aren't met, discuss the issues again and agree on a final date for improvement. If this date arrives without change, call a final meeting and give your employee a last opportunity to explain why the employee should not be dismissed. If this explanation isn't satisfactory start the disciplinary process to dismiss.

## Selling a Business - The Human Element

Selling a business as a going concern is subject to Section 197 of the Labour Relations Act (LRA), which regulates the transfer of employment contracts.

Simply put, the new employer (the purchaser) automatically replaces the old employer (the seller) in respect of all employment contracts existing immediately before the date of transfer. This means all rights and obligations between the old employer and the employees at the time of sale transfer to the new employer.

The purchaser must employ the transferred employees on the same (or not less favourable) terms and conditions under which they were employed by the seller. This includes recognition of years of service, bonuses payable, accrued leave and disputes.

A purchaser may attempt to exclude this transfer of employee rights by placing the onus on the seller to 'make a plan' with employees. The seller may consequently dismiss employees before the transfer, becoming liable for unfair dismissal. However, the LRA is clear that the purchaser can also be held liable for the seller's actions, as liability is transferred.

Under the LRA the old employer and the new employer must conclude an agreement on leave due to employees, severance pay if dismissed for operational requirements, and responsibility for these payments. The seller must disclose the terms of this agreement to each employee.

Importantly, the LRA determines that for twelve months after the date of transfer, the seller remains liable solely and jointly

## New Appointments



Dorcas Makhaza



Lourette Le Roux



Chantal van Wyk



Mohammed Waja

with the purchaser for the payment of any amounts due to a transferred employee in respect of leave and severance pay in the event of retrenchment or dismissal due to the purchaser's liquidation or sequestration - unless the seller can show full compliance with the provisions of Section 197. So, both sellers and buyers need to beware! Sellers can find

themselves liable for employee claims long after a sale. Purchasers may become liable for the actions of the seller. To address potential liabilities, both parties should ensure that their agreement of sale comprehensively allocates risk and responsibility between them.

## Additional Services

Accumulo Consulting and its associate companies offer a wide variety of business services.

One of our services that provides relief from stress and anxiety in a labyrinth of complexities is our confidential payroll service. Our team of skilled payroll consultants will take the day-to-day hassle out of running and maintaining your company's payroll function. Our "A to Z" payroll offering will ensure that your staff is paid on time, and that the correct PAYE, UIF and SDL are deducted and paid to SARS within the statutory time frames. Payslips are prepared for staff and, if your business is "green", our electronic payslips are what you need. Our payroll platforms allow us to integrate with your current payroll systems for ease of handover.

Does your staff have garnishee orders? We can handle it. Does your staff require sensible tax planning? We can handle it.

Need pension and provident fund reconciling? We can handle it.

If payroll is getting the better of your business, let us ensure that it is handled with the utmost care and professionalism. That leaves you to do what you do best, and grow your business.

*"If you drive a car,  
I'll tax the street;  
if you try to sit,  
I'll tax your seat;  
if you get too cold,  
I'll tax the heat;  
if you take a walk,  
I'll tax your feet."*

— George Harrison

## Lodgment of Annual Duties with CIPC

With regards to the lodgment of the annual duties with the CIPC, we unfortunately can only issue a tax invoice for the submission fee, once we have submitted the return with the CIPC. Therefore in order to facilitate the

submission of the annual duty, please ensure that you pay at least the annual duty fee required by the CIPC in order for us to lodge your return. If we do not receive this amount we cannot submit your return.

## In Closing

We would like to thank all our clients for their continued support. As always, please feel free to contact us if you have any queries or questions.

With the festive season approaching we wish you a safe and happy holiday, and if you celebrate the holidays, may it be a merry one.