



## Funding Available for Businesses

The most common issue for our clients is reduced availability of funding. This is the one area that all businesses are struggling with, regardless of industry.

However there is some funding available from Government Agencies in terms of both finance and business support:

- Enterprise Ireland
- County Enterprise Boards
- FAS

### Enterprise Ireland Financial Supports

Enterprise Ireland is the government agency responsible for the development and promotion of the indigenous business sector. As a client of Enterprise Ireland you will be assigned a Development Advisor who will help you assess your needs and capabilities, formulate your agreed growth plan and access the range of services and resources you need to execute that plan

Areas where Enterprise Ireland can assist existing business include:

- Understanding Competitiveness
- Access Technology
- Develop your Leadership and People
- Ebusiness
- Finance Growth
- Enterprise Stabilisation Fund

Enterprise Ireland offers a number of soft and financial supports to companies. We have outlined here a sample of funding available and funding that clients of OSK have recently availed of.

Kind regards,  
Jimmy Dolan

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Categories of Enterprise Ireland funding designed to help expand a business and grow exports include:

- **Enterprise Stabilisation Fund** - aimed at viable but vulnerable internationally trading companies to help them survive the current global downturn.
- **Funding to explore new ideas/new markets** - Preliminary funding to explore new ideas/new markets.
- **Funding for Start Up companies** - A High Potential Start Up package matches the financial needs of new companies, by providing finance and sharing the risk.
- **Growth Funding** - Assists SMEs to achieve greater competitiveness by improving their export potential.

**R&D funding** - offers support for market-led innovation in manufacturing and services companies.

## Enterprise Ireland move into East Point Plaza



We are delighted to welcome Enterprise Ireland to East Point Plaza. Pictured are Niall O'Donnellan, Head of Investment Services, Enterprise Ireland, Deirdre Mc Dermott, Director, OSK and Jimmy Dolan, Partner, OSK.

## Types of Enterprise Ireland funding supports that clients of OSK have recently availed of:

### R&D Fund

You are eligible to apply if your company is an Irish based manufacturing or internationally traded services company which can show adequate cash resources to implement the proposed R&D project.

**A client of OSK involved in distribution recently received a Research Technology & Innovation Grant for a new type of product.**

**Another client in the food industry received a research and development grant for the development of a new product.**

### Funding for exploring new opportunities

Companies eligible include a manufacturing or internationally traded services company, either a small or medium sized (SME) company employing 10-249 people or a high potential startup company. In addition, feasibility study funding may be available for individuals, groups or larger companies to explore a business idea they wish to develop.

**A client of OSK in the manufacturing sector received a feasibility grant for the development of a new product.**

### Growth Funding

This grant is for clients wanting to achieve greater competitiveness by improving their export potential.

**A client of OSK in the manufacturing sector recently received a capital grant for a new machine to improve production output.**

**Another example is a client in the manufacturing sector who received a key employee grant for a new employee who would be responsible for developing new products which was essential to grow the business further and develop the export side of the business.**

Certain eligibility criteria apply for all grants. There is a wide range of financial and other supports available. Please visit [www.enterprise-ireland.com](http://www.enterprise-ireland.com) for further information.

\* Please see page 4 for more details of Government funding and support.

# New Tax Relief Scheme for Capital Expenditure on Intangible Assets

The Finance Bill 2009 has introduced a new scheme providing tax relief for capital expenditure incurred on or after the 8th May 2009 on intangible assets. This relief will be given in the form of capital allowances against trading income. The scheme applies to intangible assets which are recognised as such under generally accepted accounting practice and which are listed as specified intangible assets in the new section.

Examples of qualifying intangible assets include:

Patents	Brands
Registered Designs	Brand Names
Inventions	Copyrights
Trademarks	Know-How
Trade Names	Goodwill*

\*to the extent it is directly attributable to a specified intangible asset

Companies will be eligible for a writing-down allowance in accordance with accounts-based depreciation of the intangible asset or alternatively they can opt for a fixed write-down period of 15 years, at a rate of 7% per annum, with 2% in the final year. For the fixed write-down period a company must make an election in the accounting period in which the expenditure was first incurred.

The aggregate amount of capital allowances and any related interest expense that may be claimed for any accounting period cannot exceed 80% of the trading income from the relevant trade; the relevant trade being the trade of managing, developing or exploiting the specified intangible asset. Any allowances or interest which is not allowed due to this restriction can be carried forward and offset against relevant trading income in the following years.

The normal rules in relation to balancing charges/allowances will apply on the disposal of an intangible asset. However, there will be no clawback of allowances where an intangible asset is disposed of more than 15 years after the beginning of the accounting period in which the asset was first provided for the trade and the disposal does not result in a connected company claiming capital allowances in respect of capital expenditure on the asset.

For those assets which qualify under the new scheme but for which relief is already available under current legislation, e.g. patent rights and know-how, the existing reliefs are being discontinued but companies may elect to continue to use those reliefs for a further two year period ending 7th May 2011 if they wish to do so.



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## New Travel & Subsistence Rates

The travel and subsistence rates decreased from 5th March 2009.

The new rates are as set out below. Certain conditions must be satisfied to qualify for these allowances.

Revenue information leaflets IT51 and IT54 show the full details and are available on revenue's website [www.revenue.ie](http://www.revenue.ie)

Motor Travel Rates effective from 5<sup>th</sup> March 2009

Official Motor Travel in a calendar year	Rates for Motor Cars		
	Engine Capacity		
	Up to 1,200cc	1,201cc to 1,500cc	1,501cc and over
Up to 6,437km	39.12 cent	46.25 cent	59.07 cent
6,438km and over	21.22 cent	23.62 cent	28.46 cent

Rates per Kilometre (1 mile = 1.609 kilometres)

Table of Domestic Subsistence Rates effective from 5<sup>th</sup> March 2009

Class of Allowances	Overnight Rates			Day Rates	
	Normal Rate €'00	Reduced Rate €'00	Detention Rate €'00	10 hours or more €'00	5 hours but less than 10 hours €'00
A - Class	108.99	100.48	54.48	33.61	13.71
B - Class	107.69	92.11	53.87	33.61	13.71

## Payment by LASER or VISA

To help you manage your finances, we are delighted to announce that we can now accept laser and all major credit cards. To pay in this way, simply call our reception who will be able to put the transaction through immediately.



## Outsource your Accounting Function

With increasingly bad times for business come increasingly difficult decisions for business managers. While in the short term there will need to be cutbacks and savings initiatives, operations still need to run smoothly in order to survive into the long term. Maintaining this vital balance is tricky, but there is a proven cost saving strategy that companies can take advantage of to directly benefit the bottom line. Outsourcing non-core functions is the strategy that can greatly benefit companies during these difficult times.

Outsourcing can only be viewed as a partnership as it is an extension of your current business practices to another company. With any partnership, trust and confidence in the delivery of the outsourced solution is vital.

Outsourcing, the practice of using outside firms to handle work normally performed within your company, can provide great benefits to companies trying to reduce costs.

There are many benefits of outsourcing including:

- Your organisation will be free to concentrate on your core business.
- You can get expert and skilled services not readily available in-house.
- Reduced labour costs and staffing issues e.g. maternity leave, staff holidays and training.
- Increase efficiency – an outside provider's cost structure and economy of scale can give your firm an important competitive advantage.

You can outsource your whole accounting function to OSK including:

- Bookkeeping, Management Accounting, Payroll, VAT, Statutory Returns.

### Some frequently asked questions relating to outsourcing:

#### Will I save time and money?

Absolutely. Not only will you appreciate the real value of our partnership type service, you will also save on staff costs by having dedicated professionals keeping your information up to date.

#### Is this like having an external qualified Finance Director working in my business?

Yes!! Simply producing top quality information on time is not enough. We act on the information and schedule regular strategic review meetings so that you can confidently drive your business forward.

#### Can I outsource only parts of my accounting requirements?

Yes. You can choose to outsource all or parts of your accounting requirements. We will tailor a package to suit your needs.



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## Simple low cost ways to build customer relationships

Marketing budgets are tight but this shouldn't prevent you from ensuring that your customers are happy with the product or service you are providing. Here are some simple ideas to make sure you retain your existing customers.

It is important to note that all staff should be involved in building customer relationships

- 1. Respond to customers phone calls and emails**  
Return calls and emails within the day or whenever reasonable and indicate when you will get back to the person.
- 2. Provide an emergency number**  
Provide an emergency or mobile to customers so they know they can contact you out of hours. This is the time customers worry most!
- 3. Arrange meetings with existing and new customers**  
Be pro-active with your customers as out bound proactive business is the key to success in a recession.
- 4. Never assume that customers are happy with your service – get on the phone to them**  
Ask customers how it is going and what their issues are. How can you help them?
- 5. Make sure you meet all deadlines**  
If you are late, customers think that they aren't a priority. Under promise and over deliver!
- 6. Be friendly with the purchaser, the secretaries and any other point of contact**  
The gate keepers are all important in the relationship. Ask them how it is going today and form a bond with them.
- 7. Read trade and industry publications**  
Keep up-to-date with your customers industry – read trade journals and visit websites.
- 8. Keep an eye on customer websites**  
Call customer and let them know if you have any observations or ideas.  
Look at competitor websites.
- 9. Step it up – help them to improve their own business**  
Introduce customers and contacts to other customers – make the introduction to increase their business.

# Attitude is everything



It never ceases to amaze me when I meet someone with a truly great attitude. It doesn't matter what the industry or role is, the attitude shines through. When I meet someone like that, I always think of my all time greatest sports star, Muhammad Ali, and one of his quotes:

*"You can be the best garbage man or you can be the best model - it doesn't matter as long as you're the best. "*

So the question that arises is how can you change your attitude or the attitudes of those around you? At LMI, we specialise in attitude change and suggest the following four-step process:

1. Identify the "offending attitude"
2. Analyse what impact it has on your results
3. Identify actions you can take to begin replacing the poor attitude with a better one
4. Monitor and track your success at replacing the attitude.

As an example, let's say you identify that you are very reticent about introducing yourself to people at a networking event. This is having the effect of reducing your potential contact

base and therefore the amount of business you can generate. So what are the actions that you can take. Well, here's some:

1. Compose an introductory "script" and learn it off by heart so that you know what to say when someone asks "What do you do?".
2. Set a goal to attend a networking event and speak to a minimum number of strangers.
3. Monitor how well you achieved your goal and what impact it has (perhaps value of sales generated or enquiry values).

Sam Walton (of Wal-Mart), when asked what he thought about the recession of 1991 said, *"I've thought about it and decided not to participate."* What a great attitude!

Remember, you control your attitudes – if you choose.

LMI has been delivering measurable results to organisations for over forty years and specialise in people development, particularly at leadership level in organisations.



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## Funding Available for Businesses (continued from front page)

### County Enterprise Boards

The Enterprise Boards offer financial and other supports for businesses employing fewer than 10 people. Assistance includes feasibility study grants, employment grants, capital grants and equity finance as well as business information, training, advice, networking and other financial supports.

For further information on your local enterprise board visit [www.enterpriseboards.ie](http://www.enterpriseboards.ie)

### FAS

FAS provide a range of training courses to businesses. Under the One Step Up initiative, FAS provides grants towards the cost of registered training courses.

For further information please visit [www.fas.ie](http://www.fas.ie)

**This list is by no means exhaustive but it aims to give you an idea of the types of government support available to you.**

### Disclaimer

These articles provide a general guide only and specific advice should be sought before any action is taken.

OSK is authorised by the Institute of Chartered Accountants in Ireland to carry on investment business.



## New Faces

A big welcome to Caroline Kelly who joined OSK Tax in recent months.

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