



Very warm wishes and best regards to one and all for 2010.

2009 is now behind us and I must say that in all my years advising businesses it was one of the toughest that I have ever experienced.

Every industry sector has been affected by this recession.

However many businesses, including OSK, have made major adjustments to their business models and are much leaner heading into 2010.

At OSK we now make decisions more rapidly and follow them through to the end. We are constantly reassessing our service offering and are relentless in cutting overheads.

I advise all of you to continue in this vein during 2010 as when the recession ends there will be major opportunities for those businesses that are leaner and meaner.

Warm regards,
Tadhg O'Sullivan

IN THIS ISSUE:

Important Reminder:
P35 Return Deadline

What's in the VAT package?

Growing your business
through marketing in 2010

Facing The Challenges – Your Story
Tour America

OSK appointed official audit and accounting partners to the Federation of Irish Sports



OSK are delighted to announce that we have been appointed the official audit and accounting partners to The Federation of Irish Sports (FIS) and the preferred supplier of these services to The Federation's members.

OSK has a long history of supporting clients in the sporting sector in Ireland. With a genuine passion for sports, OSK people understand the sporting ethos and are fully experienced to advise this sector.

The Federation of Irish Sports was established by The National Governing Bodies of Sport (NGB's) to act as representative body for all sporting organisations and to provide an independent voice for sport.

The membership is currently comprised of in excess of 60 NGB's and a number of local sports partnerships. Membership includes the GAA, IRFU, FAI and the majority of Olympic sporting bodies.

OSK currently provide services to a number of members of The Federation of Irish Sports and are committed to increasing our presence in this sector.

Deirdre McDermott, Director – OSK Audit, recently delivered a presentation on Budgeting, Cashflow Management and Control of Overheads to members of the Federation.



Pictured at the presentation were (L-R) Deirdre McDermott (OSK), Hilda Maguire (FIS) and Brian Dignam (OSK).

As a hockey player and coach, Deirdre has great interest not only in hockey but in all sports. She currently provides audit and accounting services to a number of clients in this sector.

Deirdre discussed:

- The importance of budgeting; how to prepare a budget; the importance of continually reviewing the budget and mistakes to avoid when budgeting
- How to prepare and make the most of a cashflow forecast
- Methods of controlling overheads

For a full copy of the presentation, please email advice@osk.ie and we will email the presentation to you.

Important Reminder: P35 Return Deadline

The P35 for the tax year ended 31st December 2009 must be filed with the Revenue by 15th February 2010. Employers who fail to submit a completed P35 return by the above date will be liable to penalties of up to €4,000.

Any balance of tax due to be paid with the P35 declaration must have been paid by 14th January 2010.

Interest on P35 Balances

When a balancing payment is submitted with the P35 return and it exceeds 10% of the liability due for the year, interest is chargeable on the balance from 31st July 2009.

When a balancing payment is submitted with the P35 return and it does not exceed 10% of the PAYE/PRSI liability due for the year, interest is chargeable on the balance from 14th January 2010.

Payment of PAYE taxes by direct debit

If you pay your PAYE taxes by direct debit we suggest that you review now the amount that you are paying to ensure that sufficient tax will be paid each month for 2010 to avoid an underpayment at the end of the year. The monthly payment should be reviewed during the year if there are any changes to your salary costs.

Growing your business through marketing in 2010

As firms moved quickly to cut costs during 2009, marketing was probably on top of the list of areas to reduce costs. This was of course an important decision to make in order to survive.

But what happens next? Do we forget about marketing our business? What about the opportunities that exist out there? As North America start to come out of recession and Europe appears to be reaching the bottom and places further afield such as China and India are showing good opportunity – how do we seize these opportunities?

The good news is that you don't need to hire a marketing person to do this! An owner manager can take a piece of paper out today and write down very simply:

What are my products? Who am I selling to? What else could I sell to those same customers? Who else could I sell this product to? If I had a new product, what would it be and which of the customers that I currently have would buy it? And, which new customers could I get if I had this product?

Of course this is a very basic model and can be developed further if you have the resources. Your plan needs to be reviewed at least twice a year (and more if possible) in order to remain competitive.

The important question is 'how do you want to grow your business?' And the only way you can grow your business is to get new customers or to sell more to the customers you've got.

For further information on how OSK can help you to grow your business through marketing, please contact your partner or director in OSK.

Congratulations



Many congratulations to Darren Kelly who was placed 8th in the country in the Final Admitting Exams with Chartered Accountants Ireland.



Aideen McGinn
Marketing Director
T: 01 439 4235
E: mcginna@osk.ie



Imelda Prendergast
Partner
T: 01 439 4206
E: prendergasti@osk.ie

What's in the VAT package?

The first and most significant elements of the 'VAT Package' - a whole range of changes made to the VAT law at European level - came into effect on 1st January 2010. The aim of the VAT package is to minimise the administrative burden for companies engaged in cross-border operations. Four main areas are involved:

- Changes to the rules for the supply of services with an international dimension.
- New and revised reporting requirements.
- A revised procedure for claiming foreign VAT refunds.
- The enhancement of intra-EU arrangements for cooperation between member states' tax authorities.

In this article I will address briefly the first three. More detail will be provided in our next b2b ezine.

New place of supply rules for services:

From 1st January 2010, all business to business supplies of services (with a few key exceptions) will be taxed in the country where the customer is located. It will be the customer's responsibility (if in the EU) to account for VAT. This is already the case for certain services that are subject to the "reverse charge" procedures and from 1st January 2010 the range of services subject to the "reverse charge" has increased.

For Irish-based business customers of such services, this means that the reverse charge will become due on most purchases of services from outside of Ireland.

The VAT treatment of supplies to private customers will remain unchanged.

New reporting requirements

Perhaps the most significant reporting issue that businesses need to be aware of is the requirement from 1st January 2010 to submit quarterly EC sales lists for all services supplied to VAT registered customers in other member states (other than those on which Irish VAT continues to be chargeable).

EC sales lists for goods will become monthly, instead of quarterly, from 1st January 2010 where the value of a company's intra-community supplies of goods exceeds €100,000 per quarter. This threshold will fall to €50,000 with effect from 1st January 2012.

Foreign VAT refunds

With effect from 1st January 2010 Irish businesses will no longer have to file VAT refund claims in each member state where they incur VAT. Instead they will submit their VAT reclaim electronically to the Irish Revenue, who will review the claim and forward it electronically to the member states concerned.

Conclusion

The VAT package contains a mixture of rules, some of which will help simplify business and some which will increase the administrative and compliance burden. As the changes came into effect on 1st January it is important that businesses consider the impact of these rules to make sure they are fully compliant.

Federation of Irish Sports Presentation



Brian Dignam (OSK), Robert Nolan (Motor Cycling Ireland)



Conor Ryan, Anita Gordon, Michael Scanlon (Irish Canoe Union), Louise O'Connell (Swim Ireland)



Susan Moloney (Irish Olympic Handball Association), Cathy Quinn (Irish Squash), Pauric Buggy (Pitch & Putt Union of Ireland)

Facing The Challenges – Your Story

TOUR AMERICA.ie

I started Tour America in 1995 as I saw a gap in the North American market for Tour America to offer the right product at keenly negotiated prices. We took on the large brands in Ireland that were predominantly UK-owned, so it was a big challenge for me to start a small Irish company, but from the initial start with 3 people we now have nearly 50.

Tour America has always planned for the future and understands that the future of the market is selling directly to the consumer so we focus on our customer at all times.

Our strategy has always been to innovate and we have never followed the traditional way that travel businesses in Ireland did business. We have employed from outside of our industry and took expert experience from other sectors into our company. We describe ourselves as a marketing company that takes information and uses this knowledge fast.

In the 15 years of our operation, we have been profitable and have continued to re-invest this back into the company, primarily in people and technology.

We have a lean mentality, watching overheads at all times and ensuring productivity from all the team. The team knows how they are doing and what they need to achieve.

The last 18 months has been particularly challenging for the travel industry with Tour Operators showing drops in revenue of 30-70% and Travel Agents closing in large numbers. We are standing alone in what we will achieve this year with a small growth in revenue and a huge increase of 56% in our passenger numbers. Thousands more people know Tour America than did last year and many have booked with us for the first time.

We are now focusing on digital marketing, and 22% of Tour America's business is now done on-line.



Mary McKenna
Managing Director
T: 01 817 3527
E: mmckenna@touramerica.ie
W: www.touramerica.ie

We are the first travel company to produce their own UTUBE (Company corporate video), which will offer all our specials every week. Other marketing activities include:

- Database Marketing
- High profile competitions
- Price driven press advertising
- On line partner sites
- Digital Marketing

We are confident and looking to the future and will continue our strategy of focusing on the customer at all times to ensure our success in 2010.

Exam Success

Well done to Mark Diamond Kelly, Darren Kelly, Caitriona Doyle, Caroline Elmes, Keith Lynch, Niall O'Sullivan who recently passed their Final Admitting Exams with Chartered Accountants Ireland.



Disclaimer

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

OSK is authorised by Chartered Accountants Ireland to carry on investment business.

OSK,
 East Point Plaza,
 East Point,
 Dublin 3.

t: 01 439 4200 f: 01 439 4299
 e: advice@osk.ie w: www.osk.ie