

The P35 for 2018 (due next February) will be the last P35 ever.

Get prepared for PAYE modernisation

A new PAYE real-time reporting regime goes live on 1st January 2019. It will bring sweeping changes to how employers gather and report information on payroll to Revenue. All employers, irrespective of size, need to be aware of how it works. All employers are obliged to comply with and operate the new regime from 1st January 2019. You need to get ready now.

How will this new system impact you?

As an employer, you are required to provide detailed reports on pay and tax deductions to Revenue on or before every pay date.

Every time you pay your employees (and directors), your software should automatically search for RPNs, which will provide you with the details required to calculate the correct

payroll deductions. RPNs can change frequently depending on your employees' circumstances. You can access the RPNs with your payroll software or on ROS.

The safety net of being able to use the P35 at the end of the year to correct errors will be gone. You will no longer be able to correct mistakes in this way.

You can review Revenue's monthly statement, which summarises your payroll reports. You can make corrections to this report before the 14th of every month. After that, it becomes a statutory return.

In the past Revenue did not see payroll information until you reported it on the P35. Now Revenue will see details of employees' pay and tax deductions in real time.

This means that the employer must at all times operate the payroll accurately when the

employee is being paid to avoid mistakes and possible penalties. Employees will be able to view their own individual payroll information online from mid-2019.

What to watch out for if you are a company director

Directors should review their tax governance framework and controls for PAYE in order to:

Identify and address any weaknesses or risks in the current payroll procedures. • Ensure all business units involved in the payroll process are aware of their responsibilities, e.g. finance, HR, payroll, business operations.

Consider the potential implications for the Directors' Compliance Statement (DCS) in the annual directors' report.

Agree communications with employees and external service providers about timely supply of information on taxable expenses.



Revenue website for the full schedule. • Revenue has a dedicated webpage to keep you up to date. • Revenue is carrying out customer service visits and calls to businesses around the country – 50,000 employers have already been contacted, including 11,000 visits. • Revenue sent two letters to all employers in Ireland in April and September informing them about the new regime.

New Terms

RPN is Revenue Payroll Notification. This will replace the current employer copy of the tax credit certificate (P2C). • The payroll software will search for the relevant RPNs from Revenue as part of the normal payroll process. • If you do not use a payroll package you will be able to request an RPN for each employee through Revenue Online Service (ROS).

Monthly Statement

At the end of every month you will receive a statement from Revenue summarising the information you reported. This will be available to review on ROS on the 5th day of the following month.

Revenue's National Employer Helpdesk

Revenue has indicated that in the early days of the new regime it will be adopting a supportive approach to employers and stakeholders. Revenue's National Employer Helpdesk has been scaled to handle additional support requirements and can be contacted on 01-7383638.

Key Dates:

5th of every month

A summary statement of your payroll reports for the previous month will appear on ROS.

14th of every month

The deadline to check and correct your reports for the prior month.

STEP 1: Clean your employee list

- Clean up your employee records.
- You must submit a clean and complete list of all your employees to Revenue by 31 October, so you can be ready to go live next January. • Revenue has a step-by-step guide to preparing and submitting the employee list.

STEP 2: Pay can mean more than just salary – getting it right

Pay is not just salary. It can also include bonuses, shares, commission or benefits in kind (BIK). Examples of benefits in kind are the use of a company car, health insurance or gym membership. See the full list on Revenue's website. • The implications of real-time reporting for BIK is very important.

STEP 3: Reporting - Getting it right and the consequences of getting it wrong

PAYE errors can be costly and it's important to get your reporting correct. • A penalty of €4,000 per breach can apply, for example: • If you do not follow an RPN. • If you do not inform Revenue when an employee has ceased employment. • If you do not hold a Register of Employees at your business address.

STEP 4: Engage with your software provider

It is important to engage with your payroll software provider to discuss your options and related costs, if you have not already done so. • Work is well advanced on upgrading commercial software for the new reporting regime. • Several providers are testing their software on Revenue's system – the Public Interface Test (PIT). • Two methods of

Employees starting their first job in Ireland need to register the job using the MyAccount service on www.revenue.ie or via RevApp.

reporting are under development: i. Direct reporting – where payroll software will seamlessly report to ROS. ii. ROS upload – where a software file can be uploaded via ROS. • Some questions to ask your software provider are: • Has their software been tested on Revenue's PIT? • When will their updated version of the software be available? • What supports will be available, considering that many employers may be using the software for the first time in January?

STEP 5: Stay informed with Revenue's information campaign

Revenue's extensive information campaign is currently running nationwide. • Revenue is hosting 111 information events from 19 September to 31 October, some of which are still under way. See the

Note: If you underpay tax due to a mistake you might be subject to interest of 10% per annum.

Marketing Your Business

Most start-up businesses are driven by a person, like you, who has a good idea for a product or a service.

This business idea has probably been very well researched from a technical point of view – you know how to make the product. But where is your market? Who will buy my product or service, and where are they? How much will they pay for my product or service?

Use every networking opportunity that you have to talk to people about the potential market for your product or service. Read extensively from the vast amount of books and publications on the subject. Find out what your customers are going to expect and make sure your product or service fits the bill.

Entering the Market

Marketing strategies differ depending on the product, target market and budget. Marketing strategies for small businesses generally focus on free and low-cost advertising. An example of free advertising might be to include a hyperlinked signature line to your website in all of your e-mails. Typical low-cost marketing strategies include items like customised mouse pads, pens, stickers and tee shirts. Flyers and local newspaper advertisements can also form part of a low-cost marketing strategy.

Marketing is limited only by creativity and investment and can go well beyond conventional means. But remember, your most powerful marketing tool will always be personal recommendation by word of mouth.

Regardless of your product or service, the objective is to reach your intended audience with a message and delivery system that reflects your product or service, or at least does not detract from it.

Apart from acquiring new customers to expand the reach of your business, the marketing strategy should be concerned with retaining your existing customers. In some businesses this will lead you to consider seasonal sales and discounts for customer loyalty, perhaps based on loyalty cards. Even the sending of Christmas Cards can be a form of marketing. In these ways you show that you care about your past and present customers.

The Business of Growing

The foundation of marketing is to understand your customers' needs. Let's face it; you will have a desire to grow your business. The most effective way for a small business to grow and expand is by focusing on organic growth.

You can increase the organic growth of your business in at least four different ways, including:

- Acquiring more customers
- Persuading each customer to buy more products or services
- Persuading each customer to buy more expensive products or services
- Persuading each customer to buy more profitable products or services

All four of these increase your revenue and profit. The first of these is likely to be far more important to a start-up business since, by generating more customers, you will increase your opportunity to create greater revenue.

Acquiring More Customers

You can typically use marketing techniques to acquire more customers using a number of straightforward ideas:

- Spend some time researching and create a Strategic Marketing Plan. This should really be an important part of your Business Plan;
- Guide your product and service development to reach out to customers you aren't currently attracting;
- Price your products and services competitively;
- Develop your message and materials to respond to your new markets.

Remember to target your marketing effort. The reason that this is important is that only a proportion of the population is likely to purchase any of your products or services. By taking time to focus your marketing efforts to the correct niche market for your product or service you will be more productive, and not waste your money, effort and time.

Small Business Marketing

Marketing for small businesses and large businesses is very different. The most effective way to market a small business is to combine sales activities with your marketing tactics. Your sales activities will not only decrease your marketing expense, but should also add the value of interacting with your customers and clients. This interaction will provide you with invaluable customer research.

Given your (likely) small marketing budget, you will have to think a little more creatively. How about developing a marketing campaign involving one or more of the following?

- Take some time to send your existing customers referrals and buying incentives.
- Introduce yourself to the media – the restaurant trade is very adept at this. Free publicity has the potential to boost your business. By doing this you may position yourself as an expert in your field.
- Invite people into your place of business by piggybacking on a local event. Is there a concert or other event that you could part-sponsor?

When you do spend money on marketing, don't forget to create a way to track those marketing efforts. You can do this by coding your advertisements, or simply asking people where they heard about you – this is particularly common on web-based advertising material.

How to attract an angel investor

Experienced angel investors have a set of principles that they apply to every aspect of their work.

If entrepreneurs hope to find an angel who will take their businesses to the next level, it is worth understanding these principles.

More than a simple 'yes' or 'no'

Investors tend to avoid as simple as 'yes' or 'no' approaches to investment, preferring instead to consider every aspect of the proposal that's been presented to them. Some elements come into play when concluding, such as an entrepreneur's personality and background, and how compatible they are with their the investor and their approaches. For this reason, it is important to consider more than just the business itself, and think about how you want to present yourself as a person, a colleague and a business professional. What does your appearance, lifestyle or previous achievements say about you and how you are going to spend the investor's

money?

"While banks and other lenders look solely at the numbers, angel investors invest in passion, strong work ethic and personality."

Risky business

Securing investment does not necessarily guarantee success in business. In fact, only one in ten scale-up firms that angels invest in go on to be financially successful. Not only should entrepreneurs be realistic about this statistic, but they should also understand how it influences the decisions of a prospective investor. Success is not a given, so you need to ensure your business plans, projections and preparations are thoroughly thought out, realistic and achievable. Investors are always considering their return on investment, so it's crucial that you demonstrate why your business is worth them taking the risk.

More than just a paycheck

Although there are some angel investors who prefer to remain distanced from any ventures they invest in, the majority of angels I have come across, including myself, define

themselves by their love of supporting entrepreneurs and helping to nurture new businesses. While banks and other traditional lenders look solely at the numbers, angel investors invest in passion, strong work ethic and personality as much as they do in the solid numbers and decent returns. The less a partnership focuses on money, the more fulfilling it is likely to be for both parties.

"Both parties benefit from having a clear idea of when they can expect the partnership to end."

Making a swift exit

When an investment is entered into, it is common for most of the focus to go on the beginnings of a business relationship and in many cases, exit strategies are not discussed. While it might seem strange to be considering the exit before you have even received the funds, it is an inevitable aspect of your relationship with your investor. By negotiating these issues early on, both parties benefit from having a clear idea of when they can expect the partnership to end, and what they can expect to take from it.

Small loans through the Government's Microenterprise Loan Fund

The purpose of the fund is to help start ups and established businesses to start up a small business or expand your existing business.

What is a microenterprise?

It is simply a small business (including a self-employed person) with fewer than 10 employees and an annual turnover of less than €2m.

microfinanceireland.ie help these businesses by providing unsecured business loans of €2,000 to €25,000 for commercially viable proposals. Sole

Traders, Partnerships & Limited Companies are all eligible to apply.

They can consider applications from businesses that may have been declined a loan from their Bank. They look at your application and base their decision on the viability of the business and your ability to repay the loan.

They work closely with all our partners, including Local Enterprise Offices (LEOs), the Irish Local Development Network (Local Development Companies and Area Partnerships – LDCs for short), as well as all the major Banks to provide viable businesses with

the support they need to get started or to grow their business and create jobs.

The Local Enterprise Offices and Local Development Companies can help you to prepare the documents you need to apply for a loan from us. You can also get a 1% reduction in the interest rate when you submit your application through them, so it is worth talking to them if you need some help with your application.

Once your loan is approved, they can also provide you with invaluable mentoring support to help grow and develop their business.

Skillnet - Your business is our business

Skillnet is a national agency dedicated to the promotion and facilitation of workforce learning in Ireland. They believe that maintaining a highly skilled workforce is essential to our national competitiveness. Their business is to ensure that your business has the skills it needs to thrive.

needs and coordinating the delivery of training, is primarily owned by the enterprise groups engaged with Skillnet Ireland.

Skillnet Ireland operates under a joint investment model, part-funded by matching contributions from participating businesses in learning networks. This approach has received international recognition as a model of best practice from the OECD and ILO, amongst others.

Encouraging enterprise to lead the process in this way helps ensure that programmes delivered through Skillnet

Promoting Upskilling:

Skillnet Ireland plays an important role in contributing to the national conversation on workforce development and in promoting the value of upskilling for those in employment and those seeking employment.

Business Networking:

Great synergies are derived from clusters of businesses with similar challenges (and opportunities) working together. Participating in a Skillnet Ireland Network creates these valuable business networking opportunities for companies.

Career Development:

Skillnet Ireland enhances the general competency and employability of learners, leading to increased career mobility and greater life opportunities.

Developing Future Skills:

Skillnet Ireland plays a key role in supplying skills to the Irish workforce by collaborating with enterprise and agencies to develop new innovative programmes to address both current and future skill needs.

Businesses can access services in a number of ways:

Contact one or more of 65+ Skillnet Learning Networks directly for a wide range of learning and training solutions across many sectors and regions. Network Managers are experienced in helping companies to identify the appropriate training solutions to address the skills' challenges they face.

If you are not currently a member of a Skillnet Learning Network, you should contact the most relevant Skillnet Learning Network for you or consider establishing a new Skillnet Learning Network for your sector or region through Skillnet Ireland. Find a network or consider developing a new network.

Visit: www.skillnetireland.ie



They currently support over 15,000 companies nationwide and provide a wide range of valuable learning experiences to over 50,000 trainees.

The primary objective of Skillnet Ireland is to increase participation in enterprise training by companies. They believe that training and up-skilling are key elements in keeping companies competitive in both a domestic and international context. They also believe that training and upskilling significantly enhances the career mobility of the workforce.

Skillnet Ireland fosters an enterprise led approach to workforce development. The process of determining training

Ireland are highly relevant to the needs of industry. This approach also enables cohesive enterprise networking and the flexibility to respond to ever-changing skills demands through both formal and informal learning.

Funding Support:

Through 65 plus Skillnet Learning Networks, Skillnet Ireland allocates funding to groups of companies in the same industry sector (or region) and with similar training needs, so they can deliver subsidised training for their teams. Skillnet Ireland also plays a key role in supporting and enabling Skillnet funded groups to reach their full potential.

13 Tips for Starting and Succeeding in Your Own Business

What do you need to do to start a business?

There are dozens of websites that have checklists that remind you of the many tasks you should perform when starting a business. Although such checklists are very useful because they help you remember important startup steps, they are just To Do lists. They tell you what to do, but don't provide any tips about what makes a business successful.

Unfortunately, you don't succeed in business just by completing a list of tasks. Nor will your business be a success just because you think it's a good idea.

What will make or break your business? What determines if it will be a success?

1. Know yourself, your true motivational level, the amount of money you can risk, and what you're willing to do to be successful.

Sure, we all want to make millions of euro. But what are you willing to give up to reach that goal? How many hours a week will you work on an ongoing basis? How far out of your comfort zone are you willing to stretch? How far will your family stretch with you? To be successful, keep your business plans in line with your personal and family goals and resources.

2. Choose the right business for you.

The old formula – find a need and fill it – still works. It will always work. The key to success is finding needs that you can fill, that you want to fill, and that will produce enough income to build a profitable business.

3. Be sure there really is a market for what you want to sell.

One of the biggest mistakes startups make is to assume a lot of people will want to buy a particular product or service, because the business owner likes the ideas or knows one or two people who want the product or service. To minimise your risk for loss, never assume there is a market. Research the idea. Talk to real potential prospects (who aren't family and friends) to find out if what you want to sell is something they'd be interested in buying, and if so, what they'd pay for the product or service.

4. Plan to succeed. If you're not seeking investors or putting a huge sum of money into your business, you may not need an elaborate business plan, but you still do need a plan - one that specifies your goal – your destination – and then lays out at least a skeletal roadmap for how you'll get to where you want to go. The plan will change as you progress and learn more about your customers and competition, but it will still help you stay focused and headed in the right directions. Use business planning worksheets to help develop that basic plan.

5. Don't procrastinate. We've heard some people advise would-be business owners to not move ahead with their business until they have investigated every last detail of the business they want to start, and are absolutely sure it's all going to work and be profitable. The problem with that approach is that it leads to procrastination. No one ever really has all the pieces in place – even after they've started their

business. Yes, you need to research the market. But if you try to make everything perfect before you launch, you may never get around to starting the business at all.

6. Start on a small scale before going all out.

Some people believe that entrepreneurs are risk-takers. But for the most part, successful entrepreneurs don't like walking blindfolded on a limb. Instead, they take controlled risks. They test an idea on a small scale, then build on what works well, tweak what shows promise and discard the disasters.

7. Don't fixate on mistakes or get demoralized by them.

The difference between successful people and everyone else is that the successful people learn from their mistakes and move on. They don't dwell on failure, blame the economy, curse their bad luck, or blame other people for their fate. If the path to their goal is blocked, they look for an alternate path, or sometimes choose a different, more attainable goal.

8. Learn from others. Find mentors, join groups with like-minded people, learn everything you can about your industry and what it takes to get from where you are to where you want to be. Attend industry conferences. Take training courses when they are available. Buy courses offered by experts. You'll save a tremendous amount of trial and error by learning from people who have been there before.

9. Think of what you do AS a business.

Keep track of income and expenses, keep business money separate from personal funds, find out what

13 Tips for Starting and Succeeding in Your Own Business, Cont.

regulations your business needs to abide by.

10. Understand the difference between working for yourself and building an ongoing business. If you want to build a business, you need to develop systems and methods that allow you to hire other people to DO the work of the business while you plan it. You limit the potential for growth if you don't bring in other people to work for you.

11. Get to know investors. If the business you are starting will need investors to grow, do what you can to find out what investors are looking for and where to find those who might invest in your kind of business. Local angel and venture capital groups are a good place to start –

attend meetings they hold or meetings that investors are speaking at.

12. Embrace Digital Marketing. Even if you're running a local business, you need a comprehensive digital presence. At minimum you need a professional-looking website, an email list that lets you communicate with customers and prospects on a regular basis, and presence on the social media channels that your customers frequent. While you may get many of your customers by word of mouth, referrals or networking, you still need a strong digital presence. The reason: prospective customers are likely to look you up on the web before they decide whether or not to contact you. Coupons, special offers, and practical information sent to your

email list can encourage customers and prospects to buy from you or make repeat purchases.

13. Never stop learning and trying new things. What's profitable now, won't necessarily be profitable next year or 10 years from now. So, don't let yourself fall into the "this is the way I've always done things" rut. Keep your eyes and ears open for new things. Are there newer or better ways to market your products and services? Are customers asking for something you're not offering? Is there a different type of customer you should be targeting? Get answers by reading everything you can about your industry and listening to your customers.

Why Your Business Needs a .ie Domain

If you're starting your own business, you'll most likely need a website at the early stages of your journey. Business owners can be overwhelmed with the domain options available to them – .com, .org etc. – but, if you own a business in Ireland, a .ie domain is the logical choice.

Why Should You Get a .ie Domain?

A .ie domain name allows you to put your website online or set up a personalised email address. .ie is the official Internet address for Ireland and the only domain name that is guaranteed Irish. All .ie websites have proven that they have a connection to Ireland and a valid claim to the domain name. Confidence comes through traceability, and a .ie can help to ensure that anybody who interacts

with you online will know exactly who they are dealing with. .ie domains are consistently ranked in the top five safest domains worldwide by online security experts McAfee. .ie tells the global community that you are Irish and tells the Irish community that you are local.

.ie is the Right Choice for Irish Businesses

Every .ie domain name is verified to ensure that the people behind it are who they say they are. This means that .ie is one of the safest domains in the world, secure from potential threats such as cybercrime and fraud.

Let Your Customers Find You Online with .ie

Due to the geo-targeting and the prioritisation of local search

results, .ie domains automatically receive higher rankings than .com addresses in Irish based search engines like Google.ie. If you are doing business in Ireland, it makes sense to let your customers find you easily and quickly.

Protect Your Brand

Registering a .ie domain can also help to protect your brand. Once you have proven your claim to the domain name and connection with Ireland, your .ie domain name will be registered to you and only you. This is unlike .com where anybody can register any domain and chances are that your name has already been registered. .ie domains are readily available and can only be registered by people with a legitimate claim to the name.

7 Tips for Accessing Public Procurement

Public Procurement in Ireland is worth an estimated €8.5 billion annually.

Analysis carried out by the Office of Government Procurement last year indicates that around 93% of contracts are awarded to companies within the State, meaning there is ample opportunity for Irish businesses to compete to win contracts.

Winning a public contract can be a huge boost to any business, particularly SMEs. The procurement process, however, is often criticised for being unnecessarily onerous and difficult to navigate for many businesses. Nonetheless, the



potential benefits from a winning tender means that public procurement is something that a business cannot afford to ignore.

1. Register on eTenders

eTenders is a central Government website where all public sector contracting authorities advertise procurement opportunities and award notices. The site displays, on a daily basis, all Irish public sector procurement opportunities currently being advertised in the Official Journal of the European Union (OJEU), as well as other lower-value contracts uploaded to the site from awarding authorities. Businesses should register on eTenders to make sure they are kept up to date on any potential procurement opportunities.

2. Make yourself aware of current procurement practices

In recent months, the Office of Government Procurement (OGP) has made a number of changes to their procurement policy to make it more transparent, efficient and, importantly, to improve access for SMEs. However, recent research shows that many businesses are not aware of these changes and what is expected of contracting authorities when evaluating a tender. Keep up to date on current developments by checking the latest news on www.procurement.ie. One of the most recent guidance notes, Circular 10/14 is of particular relevance for SMEs.

3. Be aware of the requirements for each individual tender

Each individual tender will have a range of specific requirements. These can range from evidence of experience and organisational capacity to turnover requirements. Drafting a tender can be a long and time-consuming process, so make sure that your business meets all of the basic specified requirements before applying for a contract.

4. Be prepared to partner

Many SMEs have the ability and skills to undertake a contract but may lack the capacity to completely fulfil it. While some contracts might be divided into lots to facilitate smaller suppliers, SMEs may need to partner with other companies when bidding for a contract.

Forming consortia of smaller businesses is an excellent way to pool expertise and resources to bid for larger contracts.

5. Make use of the supports available to SMEs

The Office of Government Procurement, Enterprise Ireland and InterTrade Ireland, amongst others, have a wide range of supports for SMEs looking to win public sector contracts. These include Meet the Buyer events, Go-2-Tender Workshops and more general information and advice. Make use of the expert knowledge and advice available to improve your tendering chances.

6. Use your size to your advantage

While many SMEs feel excluded from the procurement process, they have a number of advantages relative to larger firms that they can capitalise on. Contracting authorities are encouraged to accept new and innovative solutions, and SMEs developing new technologies can use procurement as an opportunity to demonstrate the merits of their product. Having a successful public contract with the Irish State can open doors internationally if and when the SME decides to expand overseas.

7. Make use of the new Tender Advisory Service

The Tender Advisory Service allows suppliers (especially SMEs) to raise concerns about a particular live tender process with officials in the Office of Government Procurement. The service is free of charge and allows suppliers to raise any concerns or issues they have with an open tender. The service was developed with SMEs in mind and the OGP intends to analyse the issues raised during the ongoing reform of the public procurement process.