

Newsletter

May 2022



Welcome to our May newsletter. I hope you're enjoying the better weather and longer days, it brings an air of positivity.

LEO Grants Lean for Micro Businesses

One of the Covid-19 supports that was brought in was the availability of a consultant, paid for by your Local Enterprise Board, to carry out a full LEAN evaluation.

The LEO Lean for Micro Business Programme helps to:

- Identify issues and potential improvement areas.
- Provide support to implement.
- Achieve savings and improvements in capability and capacity to deliver.

Lean tools and techniques are helping companies across the globe to address competitiveness issues within their businesses, building the capability of their people to identify issues and improve their operations.

Lean for Micro is designed to encourage clients to adopt Lean business principles in their organisations to increase competitiveness.

The key to becoming and remaining competitive is Lean: the relentless pursuit of value to the customer.

If you think this may help your business, we advise you to contact your local LEO asap, as we expect this will be withdrawn shortly.



Oifig Fiontair Áitiúil
Local Enterprise Office

Dext

As previously mentioned in our newsletters we're rolling out Dext to all our clients to simplify record keeping. With the Dext App all you need to do is to take a photo on your phone of your receipt and it automatically gets sent to us, saving you the hassle of keeping receipts.

If you are yet to receive your link to Dext or want to find out more, please let us know.



Am I ok to continue to trade?

Over the last 2 years, many companies have survived due to being able to avail of the many Government supports that were introduced, including Debt Warehousing (i.e. not paying your taxes). As these supports are now all but gone, it may be time to take stock and evaluate where your business is, and essentially ensure there is a commercially valuable business.

If you trade when your total liabilities exceed your total assets, this is known as being insolvent.

Trading whilst knowing you are insolvent is “permissible” so long as the directors have prepared a business plan/budget, and those figures confirm the company

should return to profitability and become solvent in the medium-term future. A further reason for considering the solvency of your business is that should the company go into liquidation, and subsequently be unable to pay PAYE liabilities in particular – the credit for any tax liability deducted from the directors pay, may become a personal tax liability.

We recommend all our clients take time out to review your financial position. We can prepare a set of Management accounts to the end of April and go through these with you if required, to advise you what the best course of action is in your personal circumstances.



XERO and bank feeds

If you are using XERO, and doing your own bookkeeping, there is good news on the horizon. As you are aware, the facility of automatic imports from your bank ceased to be available from 1st January 2020. We now understand XERO has applied for regulation in Ireland and this should be through within 2 months. We'll keep you posted.



Revenue commences random EWSS checks

Well it seems Revenue are returning to the office too, and somebody has decided it would be a good idea to check out were all the claims for EWSS valid. A number of clients have received these letters over the last 2 weeks. If you have, please contact us immediately and we will prepare the response on your behalf. It requires submission of the supporting figures used in making the claim.

Good news for the hospitality sector

The Government has announced that a special VAT rate for the hospitality sector is to be extended until early next year. The special 9% rate for the hospitality sector was introduced in 2020 in a bid to lessen the impact of the Covid-19 pandemic. It was due to lapse in August this year, but will now be retained for a further six months until 28th February 2023.

The extension will cover the same goods and services as the original measure, including restaurants, cinemas, theaters and museum.



Debt Warehousing and March/April VAT return

A condition of eligibility to remain in this scheme is that all tax liabilities are filed and paid on time. Revenue adopted a rather lenient attitude for January/February VAT return filing, but we suspect they will begin to reduce this leniency. Therefore please ensure you provide us with your data in plenty of time to allow us file your return this month.

