

» don patterson
golf competition
launch

pagetwo



» paddy and
alison getting
published

pagetwo



client

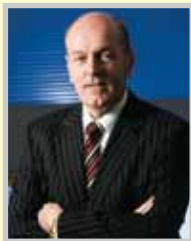
a quarterly newsletter from

www.fpmca.com

matters

fpm chartered accountants

ISSUE 33» AUGUST 2012



» tom
o'gorman
profiled

pagesfour&five

» securing
Roi bank
finance

pagethree

» fpm
clients
focus

pageeight



» FREE
tax matters
inside

» fpm
tax app
launched

pagethree

DOWNLOAD
YOUR FREE
FPM
TAX APP



EVERYTHING YOU NEED TO KNOW ABOUT
UK AND ROI TAX IN ONE PLACE...

FPM Confirms It's Global Reach...

» FPM Chartered Accountants, Managing Partner Feargal McCormack confirmed that IGAF Polaris, the third largest association of accounting firms in the world, of which FPM is a member firm, is pleased to introduce its new name, identity, and website with immediate effect.

From henceforth, the association will be known as PrimeGlobal, using the primary tagline "An Association of Independent Accounting Firms", and a secondary tagline of "Global Reach, Technical Depth, Personal Connections".

The announcement comes as the culmination of the merger of three international accounting associations in 2012, namely the merger of IGAF



PrimeGlobal

An Association of
Independent Accounting Firms

Worldwide, Polaris International, and Fidunion International, into one of the most vibrant, dynamic and relationship – focused membership organisations in the world accounting industry.

The new association website, www.primeglobal.net, offers member firms and their clients an excellent opportunity to access thought leadership from around the world, in addition to providing easy-to-navigate access to member expertise through expanded directory search, comprehensive services and industries lists, and much more.

PrimeGlobal, of which FPM is a member, is the third largest association of independent accounting firms in the world, comprised of over 350 highly successful independent public accounting firms with a combined annual revenue of more than US\$2.2 billion. PrimeGlobal's independent member firms house a combined total of 2,200 partners, 17,000 employees, and 800 offices in 90 countries around the globe. In respect of the UK and Ireland, there are 16 member firms, and their annual turnover for 2011 was £130m.

» FPM Managing Partner, Feargal McCormack, received the prestigious All Ireland Award from the Institute of Consulting Northern Ireland Region and the Institute of Management Consultants and Advisers (RoI) in recognition of his significant contribution to business and public life in Northern Ireland and the Republic of Ireland over the past 20 years at a "Catching the Rising Tide" Business Lunch held in the Titanic Belfast Centre on Tuesday 19 June 2012.

Feargal received his Award from Ms Arlene Foster MLA, Minister of Enterprise, Trade and Investment, in the presence of Martin Rice, Chair of the Institute of Consulting Northern Ireland region, Miriam Ahern, President of the Institute of Management Consultants and Advisers (RoI) and the Institute of Consulting Director, Huw Hilditch-Roberts.



Top Business Accolade for Feargal...

Feargal joins a distinguished list of winners of this prestigious award, with the previous winners including; former Irish President Mary

McAleese, Senator George Mitchell, John Moloney Group Managing Director of Glanbia plc and former International Fund for Ireland Chairman

Denis Rooney.

In his acceptance speech, Feargal McCormack stated he was humbled and honoured to receive the Lifetime Achievement Award and expressed his appreciation to Minister Arlene Foster, the Institute of Consulting Northern Ireland Region and the Institute of Management Consultants and Advisers (RoI). Feargal added that he would like to acknowledge the many people who have assisted him in the development of his values, visions and actions. In particular he acknowledged his late parents, his wife Anne and family circle and his colleagues at FPM Chartered Accountants.

Feargal went on to highlight how he believed businesses on the island of Ireland could explore and "Catch the Rising Tide" going forward. He stated: "there are many parallels between sport and business, and therefore it is appropriate that our event

TO PAGE 2»



FPM Who are we?

FPM, established in Newry in August 1991, is a client focused, chartered accountancy and business consultancy, partnership practice with offices in Newry, Belfast, Dungannon and Dundalk.

A member of PrimeGlobal, a global association of independent accounting firms, with offices located throughout the world, FPM has specialist skills in accounts preparation, audit, tax planning, cross border business and tax advice, business consultancy, strategic planning, corporate finance, corporate recovery, restructuring & insolvency, wealth management and public sector consultancy including economic appraisals and evaluations.

FPM has a trusted advisor relationship with its clients and has an affinity with emerging and growth companies. The backbone of its practice is owner managed businesses (OMB's) and small medium sized enterprise (SME's) who share a common goal, the desire to grow and be sustainable in the long term.

FPM has won no less than 19 prestigious awards since 2004, including, LexisNexis Best UK Tax Practice Award 2008, the NI SME Business of the Year Award 2004, Accountancy Age UK Small Firm of the Year 2005, The UTV/Business Eye Business Consultancy of The Year 2009 and the Best Place to Work Award at the Irish News Workplace and Employment Awards 2011

The practice has eleven partners and now employs seventy two people and has achieved average annual growth since its inception of 20% per annum.



CONTACT INFORMATION
FPM Accountants LLP

Newry Office:
Dromalane Mill, The Quays,
Newry, Co Down BT35 8QS
Tel: 028 302 61010

Belfast Office:
1-3 Arthur Street, Belfast
BT1 4GA
Tel: 028 9024 3131

Dungannon Office:
30 Northland Row, Dungannon
Co Tyrone BT71 6AP
Tel: 028 877 50 400

Dundalk Office:
FPM Partnership
Block 5, Quayside Business
Park, Dundalk, Co Louth
Tel: 042 93 88898

Website: www.fpmca.com
Email: info@fpmca.com

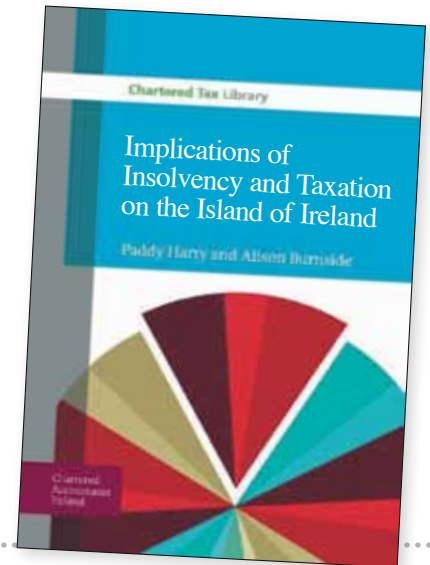
FPM Accountants LLP and FPM Partnership are part of the FPM Group.

All details and tax data correct at time of going to press. FPM cannot be held responsible for any errors, omissions or action taken as a result of the enclosed information. FPM always recommend that you seek professional advice and consultation.

Forthcoming Book on Implications of Insolvency and Taxation on the Island of Ireland...

» FPM Partners Alison Burnside and Paddy Harty are working very hard to conclude a forthcoming book which they are authoring on "Implications of Insolvency and Taxation on the Island of Ireland".

The book is being published by Chartered Accountants Ireland and is expected to attract much interest.



Don Patterson Open Juvenile Golf Competition 2012



Following the tremendous success of previous years, the Don Patterson Open Juvenile Golf Competition 2012 in honour of the legendary (Dr Golf) Don Patterson, will be played at Warrenpoint Golf Club on Thursday 9th August 2012.

The event sponsored by FPM Chartered Accountants will attract over 150 entries from across Ireland and is

played over 9 holes and there are three age categories for boys and girls namely, U9, U11 and U13. In addition, free coaching will be provided by Junior Golf Ireland and there will be a novelty putting competition along with other activities which will create a family fun atmosphere for competitors, parents, grandparents and friends.

Pictured left to right are the organising committee of The Don Patterson Open Juvenile Competition 2012, Don Patterson, Willie Hanna, Feargal McCormack and Paddy Martin.

<< FROM FRONT PAGE

today, is taking place in The Olympic Suite. Personally I found the recent half time Chrysler commercial, featuring Clint Eastwood, at this year's 2012 Super Bowl Final, inspirational.

It's half-time for NI and indeed the island's business community, people and businesses are finding it difficult and challenging, perhaps due to persistent fog, discord and blame, the uncertainty in the Eurozone, recovering from World banking crises and the inevitable downturn in consumer demand and public sector expenditure and procurement across the island.

But this island, can't be knocked down by one punch, or by an economic recession, because, we'll get right back-up again, and when we do, the world is going to hear, and experience our engines roar.

In the recent past, we

have demonstrated a resilience and an ability to overcome centuries of political instability and "the Troubles", and to become a world role model for conflict

to begin, let's ensure our engines start roaring, and "catch the rising tide", from this world class, Titanic Belfast, iconic building, itself an example, of what can be



resolution and working together in partnership.

All that matters now, is what's ahead, how do we come from behind to catch the rising tide, and how do we win.

It's half-time for the island, and the second-half is about

learned, from a challenging past.

The future is bright: Onwards and Upwards."

Other speakers at The Institute of Consulting Awards Lunch included Liam Nellis, CEO Intertrade

Ireland, who spoke on "The Internal Consultant & Cross-Border Linkages" and John Conway MD of Meteor Electrical Ltd who looked at "e-business and International Opportunities"

The Presentation Award Piece presented to Feargal McCormack, is a bespoke design by David Esler based in Donegore, Co. Antrim, and reflects the brown bull of Ulster as a symbol of strength in business, whilst the salmon reflects wisdom, knowledge and enterprise. The Harp represents Ireland, a coming together in harmony and shared experience while the oak leaf and acorns are to remind us that from small beginnings great things can grow, reflecting a sense of enterprise in business. The egg shape which gives the overall form of the design is synonymous with the artist, David Esler, present in many of his commissions and reflects new beginnings, life and ideas.

Securing Bank Finance In Rol

FPM Dundalk Partner, Michael Farrell, provides an update on some interesting new schemes to help secure bank finance in Ireland.

(1) Credit Guarantee Bill 2012 Launched

The Minister for Jobs, Enterprise and Innovation, Richard Bruton published the Irish Credit Guarantee Bill in April 2012 and they are currently finalising plans for the introduction of A Temporary Partial Credit Guarantee Scheme. The scheme will provide a 75% state guarantee to Banks against losses on qualifying loans to firms with growth and job creation potential.

The legalisation is expected to go live as soon as possible following enactment of the legislation in Quarter 2 2012.

The purpose of the scheme is to encourage additional lending to micro, small and medium enterprises and not to substitute conventional lending that will otherwise have taken place. The business must demonstrate repayment capacity, and have been refused credit due to:

- Insufficient collateral for the additional facilities, or,
- The business is considered to operate in sectors, markets or its business model is perceived as a higher risk than current credit risk evaluation practices.

The Guarantee will be provided on a portfolio of loans as opposed to an individual loan by loan basis. A premium of 2% will be charged on the outstanding balance of the loan which will be collected annually in advance. The Guarantee will be provided for a three year period.

There are a number of excluded sectors which cannot apply for this grant including primary production and



agriculture, horticulture and fisheries, re-financing of existing debts and overdrafts and property related activities. The food and drinks sector will be eligible for the scheme.

(2) Micro Enterprise Loan Fund

On 22 June 2012, Minister for Jobs, Enterprise and Innovation, Richard Bruton announced the Micro Enterprise Loan Fund. This is expected to provide over €90m in additional funding to 5,500 micro enterprises over a 10 year period. The fund is expected to be operational from early Autumn and will initially facilitate €40m in additional lending to businesses employing not more than 10 people over the next 5 years. Start ups, sole traders and existing micro enterprises will be eligible to apply for the loan.

The key features of the scheme include:

- It will be operated by Micro Finance Ireland a subsidiary company of Social Finance Foundation.
- Businesses including sole traders, across all sectors employing not more than 10 staff will be eligible for the scheme.

- To be eligible a request for credit must have been declined by the banks.
- The scheme will provide loans for commercially viable proposals that do not meet conventional risk criteria applied by banks for various reasons including the absence of collateral.
- Loans of up to €25,000 will be provided and the average loan is expected to be €16,000.

This fund is aimed to assist small businesses to succeed by job creation and achieving growth and prosperity. The fund will supplement normal bank lending and it will provide additional lending to start ups newly established in growing micro enterprises which have commercially viable proposals, but do not meet the conventional risk criteria applied by commercial banks.

(3) First Step – Micro Finance Fund

Similar to the Governments Micro Enterprise Loan scheme – Micro Finance also provides loans of up to €25,000 to start up and expanding new businesses. First Step is a private, not for profit company which receives funding from Enterprise Ireland through the EU, SEED and Venture Capital Fund and Social Finance Foundation. The loan fund provides up to €25,000 to start up or expanding new businesses. The loan is available to existing businesses or start up businesses who wish to grow and develop into commercially viable enterprises. For existing businesses, the loan can provide finance to enable projects to be financed that perhaps have a shortfall in funding. It can work alongside conventional bank finance or indeed can provide finance for projects that have been declined by the conventional banks.

For more information on the above loan schemes, please contact Michael Farrell at m.farrell@fpmca.com.

IN BRIEF...



Paddy Harty
FPM Senior Partner

Launch Of FPM Tax App

DOWNLOAD YOUR FREE FPM TAX APP



EVERYTHING YOU NEED TO KNOW ABOUT UK AND ROI TAX IN ONE PLACE...

iPhone

Android

BlackBerry

OR SEARCH YOUR APP SCORE FOR FPM TAX APP



350 Plus Delegates attend Post Budget Seminar with a Difference

Over 350 delegates attended The Irish News / FPM Post Budget Breakfast Seminar with a difference, focusing on "The Budget Games" at the Quays Omniplex in Newry. Delegates were welcomed by Chairman, Gary McDonald, Business Editor, The Irish News.

Ian Coulter, Chairman of CBI Northern Ireland and Managing Partner of Tughans Solicitors gave an overview of the recent UK Budget in terms of its impact on NI and the island economy, and called for Belfast to make a bid for the new innovative £60m aerodynamics



Pictured left to right at The Irish News / FPM Post Budget Breakfast are Paddy Harty, Feargal McCormack, Janette Burns from FPM Chartered Accountants, Gary McDonald, Business Editor, Irish News, Ian Coulter, Chairman CBI Northern Ireland and Brian Keegan, Director of Tax, Chartered Accountants Ireland.

centre, revealed by British Chancellor, in his Budget Speech.

Brian Keegan, Director of Taxation at Chartered

Accountants Ireland, covered trends in international taxation and stated, "after years and years of tax relieving measures, we now

know again what its like to be in a cycle of tax increases. The water is colder, so we have to swim faster. We have to become like Olympic Champions".

FPM Tax Partner Janette Burns interpreted important tax issues arising from the recent UK Budget. In particular she highlighted the growing tax attractiveness of Enterprise Investment Schemes.

FPM Senior Partner, Paddy Harty focused on income tax, capital gains tax and inheritance tax and highlighted the impact of the change in the Child Benefit charge on working, married couples.

FPM Senior Partner, Paddy Harty, recently launched the new FPM Tax App highlighting UK and Rol tax rates together with tax planning opportunities.

The joint UK/Irish Tax App is a first for Ireland, and reflects FPM's commitment to be innovative and to provide service excellence. The FPM Tax App can be downloaded from Apple, Blackberry and Android devices.

Paddy confirmed to Client Matters that demand has been fantastic, "It took a great deal of time and investment to get the App launched, it's encouraging to see such high demand."

We do appreciate Referrals

Mr Goldfinger

If FPM client Tom O’Gorman was ever to join the Twittersphere, his hash tag could easily be The Canny Investor. Or Mr Goldfinger. Or what about The Midas Touch?

The problem is, he confesses to being technically illiterate, so you needn’t go looking for him in cyberspace. Not today. Not ever.

“I don’t work a computer and can hardly answer my mobile phone, for goodness sake,” he admits.

But give the Newry man even the sniff of a viable investment opportunity at home or in any far-flung destination and he’ll weigh up the options – then go for the kill.

O’Gorman, Ireland’s biggest (and shrewdest) single private investor in exploration stocks, turned 60 this year.

And given a spectacular personal wealth accrued over four decades – and his absolute loathing of boardroom protocol and all things corporate – you’d imagine he could easily turn to pipe and slippers, go to his counting house, and bask in a job well done.

“Not a bit of it. I always need a project, or projects, plural. And for some reason I’ve always found money easy to make, so I’m not for slowing down just yet,” he says.

O’Gorman’s current pet projects include his interest in Westmount Energy (when he bought into the then loss-making AIM-listed company and joined the board last November, its shares spiralled by 65.7 per cent in a single afternoon), and also in Fastnet Oil & Gas, an independent exploration company focussed on identifying early-stage exploration and appraisal opportunities in offshore Ireland and Africa. It begun trading in London and Dublin in June, and with O’Gorman’s stamp of approval, is already shap-

ing up to be another winner.

He’s also launching a new £250 million asset recovery fund in Newry – and insists there’s nothing quite like it on the market in Northern Ireland at present, citing potential percentage returns well into double figures (if he came to you with some of the examples of how to boost your pension pot, you’d take his arm off!).

So what’s the story with Tom O’Gorman, the very antithesis of your stereotypical businessman and one of the most self-deprecating men you could meet?

“You could say I’m a corporate idiot,” he insists (wrongly, of course).

“I started life in the backstreets of Bessbrook, very poor like everybody else. I

and made him the underdog.

“I began to look at life from a different angle altogether. People talk about thinking outside the box. Well, because of my circumstances I wasn’t even allowed into the box to start with!

“However, when you get an education you are effectively programmed into whatever profession or career chosen by you or your parents. I always tried to find an alternative way of doing things, and often by trial, sometimes by error, I found my own way of getting things done.”

And his non-conformist attitude to business has reaped him rich dividends throughout an incredible career in which he has often shied away from the media spotlight.

For instance, there can be few people – if any – on the planet who have managed to turn a £1 investment into £7.5 million. Yes, you read that right!

His initial quid punt in Cove Energy, the Irish oil and gas explorer previously known as Lapp Plats, was followed up by three further investments of up to around £500,000, which he turned into a holding of £7.5 million

who was involved in gold “before anybody else was at it”.

A conversation with the man is a veritable run-down of having backed winner after winner . . . a bit like talking to the punter who’s gone through the card at the Cheltenham Festival without a loser.

One minute he’s talking about shopping at Poundland and buying his suits four at a time so he can get a discount.

Then he’ll drop in how he bought some shares in African Diamonds at 2p and they went to £1.70, turning his five grand into a tidy £450,000.

Or how he got together a group of investors to snap up shares at 4p a pop and offloaded when they were £1, making a lot of people a lot of money (“I’ll not name them but they all did okay”, he smiles).

While others sell, Tom O’Gorman buys. He rarely gets his fingers burnt, and you just sense that when he gives you the nod on something, it’s well worth the punt.

Yet for all his past (and surely future) achievements, he remains remarkably modest.

“I’m currently chairman of seven boards, but I always lay my cards on the table at the outset - I tell them I’m an idiot from the back streets, a bit of a loose cannon, a man who crawled out of the gutter. But I’ve a wee bit of wit and believe I can apply that in a positive way

didn’t get an education, was orphaned at 14 and a half, was taken in and looked after for a while by an aunt, was homeless for a time, and was virtually unemployable.

“I just couldn’t keep a job. I tried my hand as a chef, making kitchens, working in retail, selling cars . . . but was like a round peg in a square hole. I just couldn’t settle into the daily grind. I don’t know what it was.”

“It was a very tough start,” he says however being excluded from society gave O’Gorman an inner strength

by his 55th birthday in 2007.

“Yes, that went alright for me,” he says with remarkable under-statement.

He says he’s hoping that Fastnet has an equally bright future with Raglan Capital’s Cathal Friel as Chairman and involvement from geologist John Craven and Manchester United director Michael Edelson, himself known as the ‘Shellmeister’ because he has backed so many cash shell companies.

Companies like Minmet and Glencar, Pan Andean and Minco, have all been dabbled in by O’Gorman,

“I’m currently chairman of seven boards, but I always lay my cards on the table at the outset - I tell them I’m an idiot from the back streets, a bit of a loose cannon, a man who crawled out of the gutter. But I’ve a wee bit of wit and believe I can apply that in a positive way, he says.

“I have my own unique business model. Often you’ll find me backing what some investors would see as losers. You can get those companies for buttons, build them up and they become outstanding opportunities.

“But it’s vital never to over-



property crash of 2007.

"It was there for anybody to see, but the experts weren't looking – or maybe they didn't want to see," he says.

He had bought and then sold off 75 properties in the 12 years leading up to the crash.

"In 1995 I was buying houses in council estates at an average of £20,000 and selling them on at £25,000 to retiring bank managers or people looking to build up a pension pot.

"That gave me a 25 per cent mark-up and I was turning money. The guy who bought it off me was getting or £280 a month, or 17 per cent yield. He was borrowing money at 10 per cent, was paying off his mortgage and using the other 7 to build up the next deposit and a second house and a second portfolio, and so on, and it was a nice model.

"In 2007 those same houses in the likes of Barcroft

Park in Newry were going at £168,000. That would have cost roughly £800 for a mortgage and was paying roughly £400 for an income. So people who bought at that price were basically subsidising the rent and looking for capital growth, and the capital growth in one year

60 per cent, add on another 30 per cent for economic boom and you have 90, and throw in 10 per cent just to be generous and was 100 per cent.

"So the real value of that £25,000 house in 2007 was £50,000, yet it was selling for £168,000. So that told

It goes without saying that O'Gorman isn't glowing in his praise of banks however is very complimentary about his financial and tax advisers "I depend on Feargal McCormack and Paddy Harty to guide me in all aspects of my financial matters. I have received

in bed by 9pm"), fine dining ("why can't I have beans and chips in some of these fancy restaurants?"), chauffeurs ("Your brain is like a battery, and somebody talking to you when you're going to an important meeting absorbs some of your energy, so when you go to a meeting in theory you've nearly had a meeting beforehand, so I keep myself charged, so I go on the bus where nobody talks to me.") and, of course, that dreaded technology!

What he does enjoy, though, is absorbing knowledge, using it to his advantage and then giving something back (he wants to teach young people how to set up in business and possibly write a book too).

For now though, creating a Cove Two, building up Westmount Energy's worth and, of course, his new asset recovery fund are plenty to be going on with, so watch this space

■ ■ In my opinion in business you need discipline and self-control, you need to be realistic in your objectives and you need to do a lot of research before you try to move a business forward (know the market and your competitor)

in Northern Ireland hit 58 per cent!

"But that was the wrong way to look at it. The way I looked at it was that if I bought at 20k and sold at 25k, so 12 years growth at 5% and an average rate of inflation of roughly 5 per cent - 5 per cent for 12 years was

me the whole thing was out of proportion. It also told me two things - that the banks were going to go bust and that the property market was going to crash.

"So for those geniuses who said they didn't see it coming - it was there in front of their eyes."

very sound tax advice over the years from FPM, and I would not execute a business deal without first of all discussing it with Feargal or Paddy".

But then again, there's lots he doesn't like – such as travelling overseas ("a necessary evil, but I'm always



IN BRIEF...

Tough Year for Dundalk Chamber

The President of Dundalk Chamber of Commerce, Paddy Malone speaking at his recent AGM acknowledged that the past year has been a tough year for the Chamber and its business members. However, Paddy went on to outline various projects in which the Chamber had been proactive in promoting business within the greater Dundalk region. FPM Partner, Michael Farrell was re-elected Treasurer of the Chamber and Paddy Matthews was elected Vice President.

Sarah Scoops The 20th Rooney Fellowship Award

Southern Regional College's prestigious Rooney Fellow Award for 2012-13 was recently presented to Sarah Law, a Higher National Diploma in Business Studies student at the College from Dromore, Co Down.

This is the 20th year of the Fellowship and the announcement was made by the US Ambassador to Ireland, Dan Rooney at a glittering banquet presentation dinner on Friday 1st June 2012. The evening commenced with a reception in the Southern Regional College's West Campus Foyer where Ambassador and Mrs Rooney unveiled a commemorative wall display celebrating 20 years of the Fellowship and paid tribute to the contribution of all the partners organisations involved in the Fellowship, including the Ireland Fund, Enterprise Newry, Heinz Corporation, The Pittsburgh Steelers, the University of Duquesne, the Ireland Institute of Pittsburgh and the University of Pittsburgh.

Ambassador Rooney spoke of



Raymond Mullan and Fergal McCormack, Enterprise Newry, Sarah Law, Brian Doran, CEO, Southern Regional College, Ambassador Rooney, Jim Lamb President The Ireland Institute of Pittsburgh, Mrs Patricia Rooney and Jack O'Hare, Enterprise Newry.

his pride in all the previous Rooney Fellows who he said were magnificent ambassadors for the Southern Regional College and for Newry City.

Sarah will leave in August 2012 to

commence her studies at the University of Pittsburgh and work placements with two world renowned organisations, the Heinz Corporation and the Pittsburgh Steelers.



Anna Beggan of Tughans Solicitors presents the Best Place to Work Highly Commended Award to FPM Partner, Teresa Campbell.

Irish News Award for FPM

FPM won a highly commended award in the Best Place to Work category in the Irish News Workplace & Employment Awards 2012.

Pension "Pots" No Longer Safe in UK Bankruptcy

Following a landmark case in April 2012, if a bankrupt is a pensioner or is able to draw down on a pension plan, then this is to be included as part of his income in assessing whether or not he is to be subject to an Income Payments Order lasting up to three years.

Previously, if a bankrupt had an HMRC approved pension scheme, it could not be touched unless they were already deriving an income from it.

The key change with this case is that it will be the "Entitlement" to draw an income rather than what is physically being drawn that will decide how much of the pension the trustee can claim for the creditors in the bankruptcy.

If you have any queries, please do not hesitate to contact FPM Partner, Alison Burnside on a.burnside@fpmca.com or 02890 243131.



James Smyth, President, Causeway Chamber of Commerce and Industry, Professor Robert Hutchinson, Provost, University of Ulster, Coleraine Campus, Fergal McCormack and Professor Richard Barnett, Vice Chancellor, University of Ulster pictured at the Provost's Annual Business Lecture.

UU Provost's Annual Business Lecture

FPM Managing Partner, Fergal McCormack delivered the University of Ulster, Coleraine Campus Provost's Annual Business Lecture in association with Causeway Chamber of Commerce and Industry at the University of Ulster Coleraine recently.

Fergal, a visiting Professor at the University of Ulster Business School gave his presentation "Rising to the Business Challenge - Achieving Sustainable Competitiveness". Professor Robert Hutchinson, Provost, University of Ulster, Coleraine Campus acknowledged the very large attendance present at the Riverside Theatre for the event and congratulated Fergal on an inspiring lecture.



STS Programme

FPM recently delivered a Success Through Succession (STS) Programme for Dundalk Institute of Technology.

The FPM team was led by Partners Michael Farrell and Michelle Hawkins who are photographed with other mentors involved in the STS Programme.

www.fpmca.com
Log On Today...
It's full of useful advice

Distributing Capital in the UK, Outside a formal winding up – Enactment of ESC C16

From March 2012, ESC C16 is now on a statutory footing in the UK and NI.

Essentially this allows for the distribution of capital outside formal winding up to be treated for tax purposes as distributions of capital rather than income, where it is followed by a dissolution under sections 1000 and 1003 of the Companies Act 2006.

There is an upper limit of £25,000 imposed on eligible distributions. Any distributions in excess of this amount will mean that the entire distribution will be treated as a dividend and subject to



By Alison Burnside, FPM Business Recovery & Insolvency Partner

income tax i.e. an income distribution. Capital distributions are subject to the

usual liabilities for capital gains tax.

If your company has come to the end of its economic life and there is in excess of £25,000 of funds to distribute to the members, then it is still possible to have this treated as a capital distribution, but this must be done within a Members Voluntary Liquidation, i.e. a solvent winding up of the company.

If you have any queries, please do not hesitate to contact FPM Partner, Alison Burnside at a.burnside@fpmca.com or telephone 02890 243131.

IN BRIEF...

Feargal Visits White House



Feargal McCormack talking to First Minister Peter Robinson and Deputy First Minister Martin McGuinness at the Business Breakfast in Washington.

FPM Managing Partner, Feargal McCormack was greatly honoured to receive an invitation from President Barack Obama and Mrs Michelle Obama to attend a Celebration of Ireland Reception in honour of St. Patrick's Day, held at The White House on Tuesday 20 March 2012.

President Obama and Taoiseach Enda Kenny delivered addresses at the celebration event. Feargal was delighted to have an opportunity to shake hands with The President and Mrs Obama, the Taoiseach and Mrs Kenny and the US Ambassador to Ireland Mr Dan Rooney and his wife Mrs Patricia Rooney. On the morning of The White House Reception, Feargal attended a business breakfast hosted in Washington D.C. by First Minister Peter Robinson and Deputy First Minister Martin McGuinness on behalf of Northern Ireland Bureau in Washington. Both Peter Robinson and Martin McGuinness used the opportunity to portray a very positive image of the business opportunities offered by Northern Ireland.

Rates on Residential/Rental Properties in NI

With the increasing pressure on rentals, the question of rates and who is responsible for them arises. Often the landlord will try to recoup the rates payment as part of the tenancy agreement.

The table below gives an indication as to who is responsible in NI, based on the capital valuation and frequency of rent payment:



By Seamas Keating, Associate Director

Capital Value – Shown on Rates Bill	Frequency of rent payment	Who is liable for rates
£0 - £55,000	Any frequency	Owner/landlord
£55,001 - £150,000	Monthly or weekly less than quarterly	Owner/landlord
£55,001 - £150,000	Quarterly or larger	Occupier/tenant
£150,000 and above	Monthly or weekly – less than quarterly	Occupier/tenant

If you are unsure of the capital valuation on your property, then, access the website www.nidirect.gov.uk and follow the links and for any other information you may require.

This site will advise landlords on how to qualify for 7.5% and 12.5% allowance on the rates, but both allowances are dependant on the rates being paid by 30 September each year.

Remember, rates are payable whether the property has a tenant or not from 1 October 2011. There are some exclusions to this, and please refer to the website for the current exclusions.

If you have any queries, please do not hesitate to contact FPM Director Seamas Keating at s.keating@fpmca.com or telephone 02890 243131.

Committee Members - Beware

Following the outcome of the Davies v Barnes Webster & Sons 2011 Court Case. Committee members need to exercise extreme care in all of their actions.

In this case Mr Davies was a committee member and trustee of an unincorporated association, i.e. club/society.

There was an instruction for the association to carry out work which was subsequently not paid and the contractor then issued proceedings against Mr Davies as trustee of the unincorporated association.

Normally, a member of an unincor-

porated association would not be personally liable for the acts of those who entered into contracts on behalf of the association. Exactly who is liable is dependant on the constitution of the club and what acts of authority and notification had occurred.

It is possible for all members to be liable dependant on their general rules or in respect of a specific transaction.

In this case, Mr Davies was a member of the committee who approved the contract, a trustee and a president of the club, with the authority to enter into contracts on its behalf. He had also witnessed the contract.

Therefore, Mr Davies was held to be personally liable, even though others were also personally liable. In this case, while Mr Davies has been given three months to pay the debts, if they are not paid, permission has been given for a bankruptcy petition to be issued against him.

There are a number of solutions that can help avoid this situation, and every case will be decided on its own specific merits.

If you have any queries, please do not hesitate to contact FPM Partner, Alison Burnside at a.burnside@fpmca.com or telephone 02890 243131.

Border People Seminar

FPM Partner Michael Farrell and Senior Manager Desi Foley participated in a Border People User Group – Developing a Cross Border Business Seminar in Manorhamilton recently. The seminar was a tremendous success.

www.fpmca.com
Log On Today...
It's full of useful advice



Arlene Foster MLA, Minister for Enterprise pictured with Brian McErlain, Managing Director, McErlain's Bakery.

Titanic Tastes...

» FPM client, Magherafelt based McErlain's Bakery, led by Managing Director Brian McErlain, has been praised by the Enterprise Minister Arlene Foster for its innovative thinking with the launch of a new "Titanic Tastes" range for 2012.

The product range, produced under the "Genesis Crafty" brand is an example of how a business can make the most of the unique opportunities of 2012. Products in the range, which can be found on shelves across Northern Ireland and further afield include: "Shipyards Subs"; "Gigantic Belfast Baps", and will help bring Titanic and Northern Ireland even more into the consciousness of consumers.



Mulligan Motors

» Congratulations to FPM Client Mulligan Motors who recently celebrated ten years of trading.

Mulligan Motors Managing Director, Damien Mulligan stated that it was repeat business, together with the trend of many customers coming back again and again and making recommendations to their friends and family that has been key to the success of Mulligan Motors and its continued success. The Mulligan Motors team of employees has over 60 years experience in caring for a wide variety of motoring needs and the company's new approved service centre on the Camlough Road, Bessbrook covers all aspects of car maintenance and can keep manufacturers warranty or service history intact, offering customers piece of mind. The company also plans to open a new type depot in the coming weeks.



Classic Mineral Water Enjoy Big Lot of Success in US...

» A family-run fizzy drinks company based in Lurgan has got its wares on the shelves of one of America's biggest supermarket chains. FPM Client, the Classic Mineral Water Company, founded in 1948 and with a staff of 30 employees has recently won a contract to supply sparkling water and a range of flavoured water to the Big Lots Chain in Ohio, USA.

Big Lots operates 1,400 retail stores, serving 47 US states, buying in brand name products from 3,000 manufacturers around the world.

The contract came following an initial lead from an Invest NI Food Sector Marketing Advisor. Maynard Mawhinney, Invest NI's Head of Food and Tourism said "this is a great contract for Classic Minerals in one of the world's most competitive markets for food and drink".

Classic Minerals Sales Manager, Thomas Morgan said "what appealed to Big Lots was the essential provenance and Irish heritage of both our sparkling and flavoured waters, which use spring water sourced from our



Quenching Shoppers Thirst: Head of Food & Tourism, Invest NI, Maynard Mawhinney and Thomas Morgan, Sales Manager, Classic Mineral Water Company

own artesian wells on the site of our bottling plant in Lurgan. They recognised that they could count

on us to provide quality products of which we have total control".

Matthews Coaches For Olympics

» FPM client Matthews Coach Hire have been gracing the London 2012 Olympic Games, where they secured a contract to transport the athletes.

The Inniskeen based company which employs 72 people, provided 15 coaches and 30 drivers to the Olympic Games where they brought athletes from airports and training grounds to accommodation and stadia until August 15.

Irish Transport Minister Leo Varadkar congratulated Matthews Coach Hire on being the only transport firm in Ireland to have got a contract for the Olympic Games and for "flying the flag for Ireland".

Matthews Coaches, which was founded in 1995 by husband and wife team Paddy and Mary Matthews, is the only Irish transport company to employ "alcolock devices" in its fleet, and the only private company to trial the Leap card.



Paddy & Noel Matthews putting fuel into a coach, before it departs for the Olympic Games.

The business is also set to become the first transport company in Europe to achieve the new ISO 50001 Management System accreditation and is a National (SEAI) Energy

Efficiency Award winner for major users, thanks to their ECODrive training fuel management systems and procedures.