



Recipe for success

A measure of the success of McCambridge Limited is that it has become a household name in Ireland. Originally set up in 1945 as a retailer of fine foods in Dublin, the company now concentrates on manufacturing a range of fine food products. A luxury confined to Dublin until 1994, they have been expanding the availability of their products to the stage where McCambridge Limited are now on the shelves and in homes nation-wide.

According to Michael McCambridge, Managing Director, "the major challenge for McCambridges was to manage our growth and manage our cost-base during the period of rapid increase in volume. Our approach was to aim at decreasing risk and increasing performance. We did this by revamping our financial and operational systems, recruiting a food science and a marketing graduate, and implementing staff training.

This was combined with a relaunch of the brand in 1999, increased brand visibility on a new fleet of vehicles, more emphasis on marketing and advertising and repackaging in resealable zip-lock bags.

The resealable packaging, which was based on findings of consumer



research, has generated huge loyalty and is still unique".

The focus on quality and the environment has led to awards and accreditation, satisfied customers and loyal staff.

Michael McCambridge puts the company's success down to excellent teamwork throughout the business, a high level of customer services and a product consumers consider to be the closest to farmhouse kitchen brown bread.

The ingredients of the McCambridge growth model are:

- Recruit trained, ambitious people who are looking for a future in the business so that the commitment, dedication and integrity can be harnessed;
- Blend the recruitment of quality people with a strong team approach;

- Look at the impact of small savings from an annual perspective as apparently trivial corrections will make a big difference to the Profit & Loss account at the end of the year;
- Have regular (informal) discussions on the progress and plans of the business;
- Forecasts are always overstated so beware;
- Savings that aren't monitored continuously dwindle quickly;
- Customer service, communicating directly with consumers and meeting their needs is key.

It certainly seems to have worked for McCambridges.

Quote of the Moment

Business is the most fascinating kind of art.

Andy Warhol 1975

Stuff you need to know...

Director of Corporate Enforcement (DOCE) Update

Regulation, regulation and more regulation. That's the message coming from legislators and regulators alike.

The DOCE is now in effective operation for one year and its fair to say that the most serious issues being focused on are twofold – failure to keep proper accounting records and breach of directors loan restriction on loans greater than 10% of net assets. The latter issue seems to be catching most people out with many directors unaware that loans to companies and others break the law if they exceed 10% of net assets or of the wide definition of “connected parties”.

The DOCE have comprehensive guides available on their website at www.odce.ie, i.e. and, as ever, Newmarket are here to guide you through the maze of do's and don't's.

Companies Audit and Accounting Bill 2003

Just as we get used to that, the CAAB 2003 is working its way through the Senead. It is a result of the Review Group on Auditing initialized in the aftermath of the DIRT Enquiry.

The most significant part of the proposed Bill to affect directors is Section 43 making directors declare in a statement the company's compliance with all legal matters affecting it. So in a nutshell directors must become experts on all legal issues that affect their business.

Where is all of this going? The stricter compliance environment places more obligations on you as a director and increases the penalties and sanctions for getting it wrong. Given the deluge of additional legislation hitting you we plan to run short seminars on your obligations and how to fulfil them, later this year.

Newmarket Partnership Website is Launched

As part of our drive to provide you with the most up to date information and access to the latest news on all things financial, the Newmarket website is launched this month !!

www.newmarket.ie provides a wealth of information not only about Newmarket and its products and services but also access to information on:

- Ø Handy reference guides e.g. guidelines on mileage and subsistence rates, access to foreign currency rates
- Ø Links to our client and other useful websites
- Ø Archive information e.g. Budget Summaries and recent changes in tax

You will also find details on how to contact us directly or simply email info@newmarket.ie for further information.



Wireless Broadband

With the advent of ISDN, ADSL and now Wireless Broadband services, Newmarket has been assessing where the most effective savings can be made, as well as facilitating the quality of service we provide, through changes to these services.

While ADSL seemed a cost effective option at first replacing basic ISDN lines, we have found that the benefits achieved through wireless broadband are substantial.

To find out more about what these type of services can do for your business, call Gavin on 01 429 3600.

Farewell...

We wish farewell to Judy Mooney, our Audit Manager, who after two and a half years with Newmarket has left the big smoke of Dublin to return to her home county of Donegal.



The latest on TAX

As always, we look to bring you up to the minute news in terms of tax changes.

First off some knotty issues from **The Finance Act 2003**.

PAYE and PRSI will operate on benefit in kind (BIK) from 1/1/2004. Revenue guides on this system are to issue by the end of the month. It coincides with a streamlining of mileage bands for motor car BIK and the abolition of the reduction for expenses met by the employee. Costs for BIK are definitely on the rise – watch this space.

For Capital Gains Tax (CGT) bear in mind gains arising from 1/1 to 30/9 are due to be paid by 31 October and gains arising between 1/10 and 31/12 are payable by 31 January. Remember the contract date triggers the CGT liability.

Other significant changes in the tax realm are an update on the Revenue Audit Code of Practice. This has largely been to clarify existing procedures but does include some new items such as the application of penalties to VAT refunds that reduce on query from an inspector. As always, if you are notified of an audit, contact us immediately to start the process of working through the issues that arise.

Every effort has been made to ensure the content contained herein is correct. However you should seek professional advice before acting upon anything as Newmarket Partnership cannot accept any responsibility for actions taken on the foot of this information.