

Outsourcing in the area of economic activities

The company Centire has been dealing in the area of accounting and economic services since 1994 and today it has rich experience with the resolution of above standard questions, work for various sectors of business, communication with tax offices, internal and statutory auditors of the client or foreign controllers from the side of the client. It offers outsourcing in the areas of wages and personnel services, accounting activities and audit. We have discussed outsourcing of economic activities with Peter Kalňák, Team manager of the company CENTIRE.

You deal with outsourcing in the area of economic activities, which is one of the most often outsourced areas. Which products do you offer in this area?

By means of an internal company unit (Outsourcing & Advisory service line) our company deals in particular with the following products: accounting, wages and personnel services.

In the field of outsourcing of accounting activities, we offer the following services:

- Implementation of accountancy in a newly established company together with the choice of best suitable

Software security

- Proposal of suitable accounting procedures,
- Elaboration of internal accounting guidelines,
- Bookkeeping,
- Provision of accounting consulting,
- Preparation and submission of statements for the management, or internal environment of the company,
- Elaboration of financial statements and documents for the income statement,
- Preparation of statements for different state institutions,
- Representation of the client during tax audit,
- Ensuring of the archiving of accounting documents,

Within the outsourcing of wages and personnel services we offer the following services:

- Elaboration of employment contracts, agreements on material responsibility, agreements to complete a job, work performance agreements and contracts for temporary work of students,
- Registration of the employer and the employees in all the relevant institutions (social insurance company, health insurance companies),
- Calculation and processing of wages including the securing of levies,
- Sending of different kinds of statements to the cor-

responding institutions,

- Resolution of the termination of employment, deregistration of employees from institutions,
- Consulting on the wage and personnel area,
- Representation of the client during the control of accuracy of the calculation of wages, levies and taxes,
- Annual accounting of wages, elaboration of registered certificates of pension security, preparation of income statements of the employees,
- Submission of reports and abstracts for tax offices,
- Preparation of statements for the Statistical Office,
- Preparation of documents for the management.

I have to mention that besides these products we also offer services related to the securing of financial and business consulting and in cooperation with our partners we also offer tax consulting and statutory audits.

In which cases do you think it is profitable for a firm to outsource its economic activity?

Considering the constantly changing legislation in the area of taxes and accounting, this area becomes more and more demanding. This implies that for a company for which tax accounting is not the primary business, it is more profitable to entrust this very important and legislatively necessary part of business to the people who work with it as professionals and have rich practical experience from different fields of the given issues.

For how long have you been outsourcing for accounting and economic services and which is your present experience? Which problems do you encounter the most often?

Our company was founded in 1994 and from its foundation it provides services in the field of economic consulting and outsourcing of accounting, wages and personnel services, so during the 14 years of work we have gained

rich experience in the given field. Our clients did business or do business in different areas of business. The most often we observe an insufficient knowledge of tax legislation by our clients but I would not call this a problem, they just do not spend their valuable time by constantly studying the ever changing acts and prefer to entrust this area to professionals, what is an undisputed advantage of outsourcing economic services.

Explain to us how the cooperation with a firm works and what does the introduction of outsourcing in a firm include?

Outsourcing means a shift of responsibility but also the operative decision-making power to an independent company, which is the subcontractor of the mentioned, outsourced activities – the outsourcer.

The introduction of outsourcing is connected with defining exact rules and conditions of mutual cooperation. First it is the relation customer – provider of the service but I would define this relation rather as a partner relation, i.e. we have to cooperate in the field, which has been entrusted to us. With clearly defined rules on the one or the other hand. In the common relation the competencies and responsibilities of individual parties have to be specified. We can support the decision and the adjustment of the rules of the outsourcing of economic activities of our client by realizing a process analysis on the basis of which a clear interface of the processes between the client and the outsourcer may be defined, as well as a description of the rules of cooperation and responsibility from the perspective of the processes.

centire
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LUXURY ROYAL GOLF RESORT

Approximately 20 kilometres from Bratislava, next to the village Veľký Biel, golfers will have another beautiful place for rest while playing golf. Investors of the company Ciridis announced the decision to create a golf resort with 27 holes, not far from the capital city of Slovakia. On a surface of 232 hectares they plan to combine the resort with the possibilities of quality living for non-golfers. The residential district will also increase the number of inhabitants to the village and promises both parties a mutual benefit and an increase in the quality of life and environment. Besides three golf fields, the zone called 'Royal Golf Resort' will offer more than 400 family houses and seven apartment houses, twenty polyfunctional objects, individual school facilities, a post office, police station and chapel. There will be restaurants, bars, wine-bars, congress centres, shops, beauty saloons, massages, saunas, solariums and similar. There will also be a 5-star hotel with the yard connected to the opposite site of the golf club and a large parking area. Miroslav Šatan, hockey representative, golf fan and member of the supervisory board of Ciridis, said about the project: "I often see the combination of a golf resort and a pleasant residential area in the USA and precisely my positive personal experience led me to the conviction that such project will find its supporters also in Slovakia. Miroslav Šatan invited for participation in the project a renowned architect - Doug Carrick from Canada, who is the author of more than 50 resorts all around the world and he also designed the resort Fontana near Vienna. The construction of the Royal Golf Resort will start in 2009 and its termination is planned for 2012. The projection of costs for the project amounts approximately to 6.2 billion Sk (205.80 million euro). The planned investment will be backed by the firm Ciridis, managed by the financier Miroslav Guman. According to the Companies Register the hockey player Miro Šatan and his brother Peter are members of the bodies of the company.



SHORT BUSINESS NEWS

» Slovak firms in the prestigious list FT 500

The prestigious list FT 500 elaborated by the consulting company Deloitte concentrated on the countries of Central and Eastern Europe. It lists 24 Slovak firms according to the level of revenue, benefit, capitalization and number of employees. We only have one representative among the first ten firms - Volkswagen Slovakia. As in the countries of Western Europe the highest positions in the hierarchy belong to oil and gas concerns, telecommunication companies and firms from the communal sector. Slovnaft, the subsidiary firm of the Hungarian MOL got to the 19th position thanks to the revenue of 3.4 billion euro and it is even second in the TOP 10 Slovakia.

» 85 million for AIG

The biggest Slovak insurance company 'American International Group' will draw a credit of 85 billion USD from the American Central Bank. The American government will take over 79.9 percent of the shares of AIG and will have influence on the management of the company. The credit is secured by the assets of AIG and its primary components, which are not subject to classical regulation of insurance companies. Fed will secure resources for the fulfilment of the current liabilities for the insurance company, as AIG products are linked with the insurance plans of many American households. During the year 2007 AIG profit decreased to 6.2 billion dollars compared to 14.05 billion dollars in the previous year. From the beginning of 2008 AIG operated with a loss of 18 billion dollars.

» President signed the amendment of the Minimum Wage Act

President Ivan Gašparovič signed the amendment of the Minimum Wage Act. From January it should increase to 8 690 Sk (288.5 euro). The SR Ministry of Work, Social Affairs and Family has already submitted the proposal of the government ordinance for consultation procedure for the increase of the minimum wage from the beginning of next year from the current 8 100 Sk (268.9 euro) to 8 900 Sk (295.5 euro). The minimum wage is paid to 1.8% to 2.2% of working people, on the other hand the increase of the minimum wage will affect a large group of sole traders by increasing their levy duty.