

The right property is never out of fashion

Fame and FORTUNE

Off The Rails presenter Caroline Morahan believes a well-placed investment is still a good bet despite the recent slump in house prices, writes **Rose Costello**

AS CURVACEOUS as she is confident, Caroline Morahan is the poster girl for the buxom women of Ireland. Morahan, 30, is perhaps best known as presenter of Off The Rails, RTE's fashion makeover programme, alongside Pamela Flood.

While studying communications in Dublin City University, Morahan was asked to co-host a pilot television programme. The show never made it to the screen, but it piqued her interest in broadcasting. Breaking into television was difficult so she took a job at the Evening Herald as a social diarist.

Two years later, RTE's doors opened to her when she won an audition to host The Fame Game, a quiz show that ran for four seasons.

When Liz Bonnin left Off The Rails, Morahan slipped easily into the role and was co-presenter for six seasons.

In January, she took up the role of Surfia in I, Keano, a comedy musical. The character is based on former footballer Niall Quinn's wife. Morahan resumes the part when the play returns to the Olympia from May 17 to 31.

How much money do you normally have in your wallet and do you carry anything unusual or sentimental in it?

My wallet is generally stuffed with receipts so there's not much room for sentimentality.

What was your first job and how much were you paid?

My first job was a small part in Fair City. I was 15. I can't remember what I was paid, but getting a pay cheque was an enormous thrill. Wait, there was the babysitting company I set up when I was 12. The rate was a fiver till midnight.

Have you ever been really hard up or broke?

I've never been really hard up as I've always been able to turn to my family for support.

Are you a saver or a spender?

Both. I started my pension years ago and have other savings accounts, but I'm able to enjoy spending money. I'm a conscientious shopper. I don't throw money away on expensive items. I've had one or two pricey purchases, but they were special.

What is the worst thing that has happened to you financially?

I can't think of anything, thank God.

What is the most lucrative work you have done and did you use the fee for something special?

When I first got the job of presenting Off The Rails six years ago, I bought myself an exquisite full-length winter coat which I still wear. I wanted to mark the occasion with something

special – that was the most I'd spent on any single item (bar my house!). But mostly my disposable income goes on travel. I like to send my parents on holiday too, when I can. When a big job is finished I go away.

Do you own property and would you consider investing in the property market now?

I own my own home and I would consider investing in property. A well-placed investment can give great returns despite the present uncertain climate. What I would love to own is a little place in Italy which my family and I could visit for a few weeks and rent out the rest of the year.

What do you invest in and do you consider yourself a risk taker?

I am definitely a risk taker, but when it comes to investments I seek advice from a professional. I'm not interested enough in the markets to make an informed choice on my own.

Did you have a special savings incentive account (SSIA) and if so what did spend the money on?

I had an SSIA and I continued saving after it matured. Maybe it'll go into that Italian villa.

How are you going to fund your retirement?

My pension should take care of that.

Have you ever received really bad financial advice?

No.

Would you like to live somewhere other than Ireland?

Ireland will always be home, but there are a few places I would like to live for a while. I was planning on moving to Paris last February, but circumstances changed. I started in I, Keano and haven't had a break since.

Have you ever seen anybody spend money in a way that shocked you?

No, but I was once at Prince Albert's annual summer ball in Monaco and

one of the girls at our table had €75,000 worth of diamonds hanging from her ears. She got up on the table to dance and one of the earrings had fallen out. I was in a flap and scoured the place. She wasn't in the least bit put out. I found it in a shot glass, gave it to her and she put it back on ready to be lost again.

If you could change one thing about the Irish tax system what would it be?

There is a huge disparity between the haves and the have-nots in Ireland. I would ensure that the super-rich paid their way and those in need were looked after. The fact that we have homeless people living in a country this wealthy is a national disgrace.

Have you ever won or surprisingly come into a sum of money?

I did quite well in Las Vegas – but without method. I just had a spot of luck. Then again, I knew when to walk away.

Do you donate to charity?

I have a monthly standing order to Concern and the Irish Red Cross. I have been involved in fundraising for various charities: Down Syndrome Ireland, Irish Autism Action, Focus Ireland, the Make-a-Wish Foundation among others. I get a stream of requests to MC events for many charities and agree to as many as I can.

What is the most important lesson you have learnt about money?

To enjoy it, but never worship it. My work choices have never been about money. I have faith that if you go with your gut, everything will work out for you the way it's meant to.

If you had an unlimited supply of money for one week, what would be the top three items on your shopping list?

A ridiculously flash car for my dad – a Maserati or Aston Martin – a sprawling Italian villa for the family and a private jet with pilot to avoid having to take my shoes off at airport security.



Gut instinct: Morahan never makes career decisions based solely on money, but on what she feels is right

A mulcher that won't let grass grow under your feet

DESPITE the recent cold snap, spring has sprung and gardens are waking after the winter hibernation. Unfortunately, this also means the tiresome task of cutting the grass has once again appeared on the horizon to wreak havoc on lazy weekends. Ride-on mowers take some of the pain and monotony out of the job. But, what price comfort?

We've moved to a house with a bigger garden. I feel I need a tractor mower. How much should I expect to pay?

There are hundreds of ride-on mowers to choose from with different brands and differing horsepower (hp). Check out discussion boards such as askaboutmoney.com for reviews and advice from people who have tried various models.

In Dublin, Dublin Grass Machinery sells the John Deere X110 (18hp) with mulcher for €2,500; the LR175 (17.5hp) with a combination of grass collector and mulcher costs €3,500.

Farm Power in Castletyons, Co Cork, has the John Deere CR125, rear collector (12.5hp) for €2,443, the X110 mulcher for €2,837, and the LR175 combo for €3,750.

John O'Riordan in Ballincollig in Cork sells the Simplicity Regent rear collector (19.5hp) for €3,500; the Castel Garden (15.5hp) combo for €3,500; and the Alpina mulcher (13.5hp) for €2,500.

The Castel Garden combo costs €3,000 at Brian Shanley's, Newcastle, Co Dublin and the Stiga mulcher (15.5hp) costs €4,000.

JW Tools in Oranmore, Co Galway, has a Rally rear

ARE YOU PAYING TOO MUCH?
Ride-on lawnmowers

collector, with mulch option (14.5hp) for €2,900 and the mulch-only Rally (12.5hp) for €2,000.

Doyle's Garden Machinery in Wexford town charges the same price, €2,900 for the Rally 14.5hp and the Hustler mulch-only machine (15hp) costs €5,200. This is a heavy-duty machine and is best suited to large green areas.

What's exactly is mulching?

Mulching, the latest thing in lawn-mowing, involves spreading the grass clippings created by the machine as you go.

In an increasingly eco-conscious world, it's getting harder to dispose of waste – even bio-friendly grass. Many people stuff cut grass into refuse sacks to put out with the bins. Mulching machines cut up grass into tiny shreds and spread it back on the lawn, so collecting the grass becomes a thing of the past.

Won't the clippings rot on the lawn?

The catch about mulching is that it requires regular cutting – at least weekly – to avoid just that. If the grass is any longer than half an inch, you will end up with

lumps on the lawn. So, if you would prefer a round of golf on Saturday, it might be best to get a combo model.

I have young kids. Will they end up covered in grass-stains if I mulch?

Yes, they probably will. The cut grass is left on the surface. While this can act as a great lawn fertiliser, it can also result in a grass-stain nightmare.

These are big machines. Are they easy to use? Are they safe?

Ride-on mowers are very easy to use and many new models are fully automatic, so it's just a matter of putting the foot down. But, they are large machines with blades attached, so caution should be exercised.

Boy-racers have taken a liking to tractor mowers in the past, but they are not designed for racing, and under-15s shouldn't be allowed to operate them. Follow safety instructions to keep all digits intact.

Are there even safer options? Surely somebody has invented a robot that's willing to do the dirty work?

Actually, they have. Robotlawnmowers.ie offers a robotic mowing system. A small gizmo about the size of a vacuum cleaner lives in a little box on your lawn and is programmed to hover around clipping millimetres off the grass every day. A system suited to a half-acre garden costs €2,200 with a two-year parts warranty. Annual service costs €150. Systems for gardens larger than two acres cost €4,250.

Sarah O'Sullivan

Fall in house prices can cut tax

BD writes from Birmingham: My husband and I are in our sixties. We emigrated from Ireland as teenagers, reared a large family, worked hard and paid our taxes and have spent our lives here. My husband has inherited his old home in Ireland, a small cottage, but I'm told we will have to pay tax in both countries on the proceeds. Is this correct?

If you are domiciled tax residents in Britain, you will be liable for UK inheritance tax of 40% over and above the tax-free inheritance tax threshold. Before April 5, 2008, the individual tax-free threshold was £500,000 (€370,000). Since then it has risen to £512,000.

According to the Irish Revenue, "an asset will be liable to Irish inheritance tax... if the asset is located in Ireland", but you will get a tax credit for the tax you pay in Britain.

Your tax bill depends on the value of your inheritance although, because inheritance tax is twice as high in Britain, you are unlikely to have any Irish tax to pay.

Because the Irish property market has been falling for the past 18 months, make sure that you get an accurate valuation of this property, which is acceptable to the Irish Revenue. Unfortunately, it may be worth less than you expected, but it will also mean a lower tax bill.

Why gifts are all relative

PB writes from Dublin: My sister wants to leave her house worth about €400,000 to my son. What would be his tax implications?

The tax-free threshold for gifts and inheritances between a nephew and aunt is currently €52,121, anything over that amount is liable for capital acquisitions tax (CAT) at 20%.

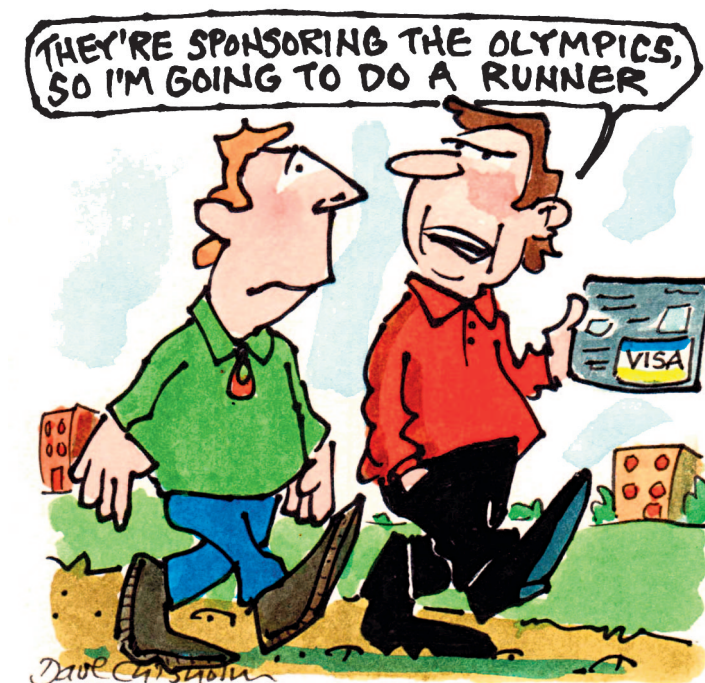
On a €400,000 property, this would amount to a CAT bill of €69,575 if he were to inherit this year. (The threshold is adjusted each year in line with the cost of living.) If your son happened to live with your sister, however, he may be able to inherit the property entirely tax-free.

To qualify, the house would have to be the principal private residence of



A Question of Money

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both your sister and son; your son would need to have lived there in the three years preceding your sister's death; and your son could not own another residential property.

Another catch in not paying tax is that he wouldn't be able to sell it for six years afterwards.

Finally, if he receives the house as a gift, he may have to pay stamp duty on its value if he is not a first-time buyer, whereas there is no stamp duty on inheritances, no matter how many other properties the beneficiary owns.

Stamp duty was reformed in last December's budget, but it would still lead to a €19,250 bill on the transfer of a house valued at €400,000. But because your sister and son are blood relatives he would only be liable for half of this amount – €9,625.

Count the cost of Visa boycott

BM writes from Dublin: We would like to change our credit card from Visa, which we have used for years, in protest at its sponsorship of the Olympic Games in China. We believe the actions of the Chinese government in Tibet are reprehensible. Like most people, we need a credit card to book hotels and conduct many other transactions, so we would be grateful if you could recommend an alternative credit card company that is ethical and recognised worldwide.

The other, well-known credit card brand is Mastercard, which your

bank probably also offers its customers. There are many corporate ethics award schemes, although I failed to find any reference to Mastercard on the ones I checked. No doubt Mastercard can alert to you any award it may have received.

You may also want to check with your bank and others to see if they have affinity cards available. These cards pay a small donation to a charity or other worthy cause each time you use the card.

Meanwhile, since you are so keen to take an ethical stand against Visa, you may perhaps be interested to know that other sponsors of this summer's games include: Adidas, IT consultants Atos Origin, Air China, Coca-Cola, Budweiser, GE, Johnson & Johnson, Kodak, PC manufacturer Lenovo, Manulife, McDonald's, Omega, Panasonic, Samsung and UPS.

Another factor that you may also like to consider is that China itself, of course, is one of the biggest manufacturers and suppliers of goods in the world. It shouldn't be too difficult to establish where the items you buy and use are made, which provides you with yet another option as to how you express your unhappiness with the Chinese government's policy regarding Tibet.

Jill Kerby is co-author of the TAB Guide to Money Pensions & Tax 2008 and the TAB Property Guide 2007-2008. E-mail her at the address below or write to Money Matters, The Sunday Times, Fourth Floor, Bishop's Square, Redmond's Hill, Dublin 2, giving a daytime telephone number. We cannot send personal replies or deal with every letter. Please do not send original documents or SAEs. Information and advice is offered without legal responsibility.

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