

# quiptip

on your side **Keren Bobker**

## Loan problems, tax refunds and visiting relatives

**Last week you wrote about the VAT (Value Added Tax) Refund Scheme for people shopping in the UK. I'd like to know if you can reclaim the VAT if you shop online?**

JL Al Ain

I have checked with Her Majesty's Revenue & Customs and they have advised that the scheme does not apply to mail order internet purchases. You must be in the UK, in person, at the time of purchase for the refund to apply.

**Like many people in the UAE, due to redundancy my husband and I are experiencing some financial difficulties, and we are concerned that we may have problems in meeting a few loan repayments. He is due to start a new job in a month's time, but it will be nearly two months before he is paid and we have some income. Is it best to speak to our bank about the situation now, or would it be worse to alert them of potential problems? What is your advice?**

WG Abu Dhabi

I have spoken to senior member of staff at a major bank for their view on the situation, as the reader did not wish to disclose which bank she is with. I was told that banks in the UAE follow a legislated path for defaults as determined by the UAE Central Bank. His advice is to be upfront about the situation and arrange to meet with a customer service representative. The correspondent has the advantage of knowing that there will shortly be some income and that any problems are likely to be short-term. Before advising the bank of the problem, she may wish to enquire about the option of loan payment holidays, as many of the larger GCC banks give loan holidays over the summer months, between June and September. Any unpaid instalments are usually added to the loan. Before a bank will allow this, customers need to have an unblemished repayment record and to have taken the loan at least 12 months earlier.

**I have been in the UAE for nearly five years, but have just realised that I may be due a refund of tax from time spent in the UK before I moved here. Have I left it too late to make a claim?**

TD Dubai

According to Her Majesty's Revenue & Customs, if you want to make a claim for any tax year there is a time limit within which you must do so. Each tax year ends on April 5, and for any particular tax year you have until January 31 in the next year, plus a further five years to make a claim. For example, a claim for the tax year ended April 5 2004 must be made by Jan 31 2010. You may have even more time, provided HMRC are notified of your Intention to Claim (Notice of Intent) by the relevant date. They will consider a claim received after that date provided it is received without undue delay.

**I recently bought an expensive ornament from a well-known store in Dubai, but when I got it home I decided that it didn't really fit where I intended to put it. I took it back to the store, with the receipt, and asked them for a refund. But they refused. You have written about consumer protection so can you tell me how I go about getting my money back? Can I make a complaint to somebody?**

GB Dubai

Retailers are not obliged to provide a refund just because someone has changed their mind about an item they have bought. There are indeed consumer-protection laws in the UAE, but these are designed to ensure people are given refunds or replacements when items are faulty. A few stores in the UAE offer refunds in this situation, but this is purely a goodwill gesture and not a legal obligation.

**I am a resident of Dubai and would like my mother to come and stay with me for a while. She is from India and so cannot just come in on a tourist visa as many westerners can. Can you tell me what I can do to get them visas and how much it will cost?**

KV Dubai

You may obtain a visit visa for immediate family member provided your monthly salary is not less than Dh4,000, or is Dh3,000 with accommodation provided and paid for. You can apply for a 30-day short-term visa or a 90-day long-term visa, and you should note that no extensions are permitted beyond this period. The fees are Dh620 for the short-term visa and Dh1,120 for a longer-term visa, with additional typing fees payable on top. You must also pay a deposit of Dh1,000, which will be reimbursed after your relative has left the country. The documents you will require are as follows: a typed application form, a copy of your passport as sponsor and a copy of your family member's passport, one photo of the family member, attested work contract if the sponsor is working in a private company, or a salary certificate if working in government, plus travel insurance. In cases where the relationship cannot be proved by family names in both passports, you may need to provide attested proof of the relationship. You need to visit the visa section of the Dubai Naturalisation & Residency Department carrying the typed application form, along with the other items. Once the visa has been issued, you can send either the original or copy to your mother. But if you choose to send a copy, then the original must be deposited at the airport or at the DNATA counter at DRND prior to her arrival. I suggest that you write your mother's flight details on the reverse of the original.

*Keren Bobker is an independent financial adviser with Holborn Assets in Dubai. She can be reached at [keren@holbornassets.com](mailto:keren@holbornassets.com)*

**Many of the larger GCC banks give loan holidays over the summer months, between June and September. Any unpaid instalments are usually added to the loan**

'Money may be the husk of many things, but not the kernel. It brings you food, but not appetite; medicine, but not health; acquaintances, by not friends; servants, but not faithfulness; days of joy, but not peace and happiness'

– Henrik Ibsen, the 19th century Norwegian playwright, whose seminal writing often dealt with issues of morality



how I did it **Louise Harrison**

# Detail and diligence

**From London to Dubai**, this designer spins her high-street fashions in a spare room at home. But starting her own shop in Souk Madinat Jumeirah was no easy task. **Inga Stevens reports**

With Dubai Fashion Week cementing its place firmly on the world's fashion calendar, talented designers are choosing to establish their design hubs in the city. What follows is the discerning fashionista seeking something unique and custom-designed to add that certain flair to their wardrobe.

That is the speciality of Louise Harrison, an accessories designer from London, and the creator of Louise Harrison Couture.

From her first collection in Harrods, London's original designer mecca, to Dubai's own Souk Madinat Jumeirah, her decision to move to the UAE was an easy one.

Ms Harrison, 38, moved to Dubai in 2006 from London after her husband, Piers, decided to set up his own website-design company in the city. As an accessories designer, she could work anywhere in the world.

"In London, my brand name was Louise Harrison Couture, so I carried this name through to my trade licence in Dubai," Ms Harrison explains. "My path to success was much like any struggling designer – trial and error, and a lot of perseverance."

Ms Harrison graduated from the University of London in 1993 with a degree in fine art textiles. She soon landed a job in the press office of the famous designer Issey Miyake in London. During her time working for the design house, she began freelancing for the Royal Opera House, specialising in embroidering the costumes for its productions. She quickly built up a respectable portfolio.

"Word of my specialised designs soon spread, and I was given the opportunity to showcase my designs in window displays for retail stores, and eventually I became involved in accessorising for TV adverts such as the Dulux spot, popular in the UK in the 90s," she says. Inspired by her success, Ms Harrison decided it was time to set up her own accessories brand. Working from home, she put together a portfolio of her designs and pitched it to high-end department stores. Soon, Louise Harrison Couture was established. She got her first break in 2004 when she showcased her portfolio to the fashion buyer at Harrods. Her first collection was put on display. A year later, her second collection found its way into the famous Liberty department store in London's Regent Street.

In 2006, Louise Harrison Couture sought to conquer the UAE. It quickly became apparent to Ms Harrison that there was a gap in the UAE market for custom designs. Having taken part in the Burjuman Millinery Exhibition and various art and craft events since arriving in Dubai, she set up her own store to showcase her designs.

The first and most important step was to formulate a viable business plan. "I decided to call upon the expertise of a business consultant from Changing Attitudes, a management consultancy based in Dubai," Ms Harrison says. "As a designer, I am very comfortable with the creative side of the business, but having someone to advise me on business practice and the financial side of my business was imperative."

The next step was funding. Since her arrival in Dubai in 2006, Ms Harrison showcased and sold her designs at art and craft exhibitions in the UAE, and saved the profits. Two years later, Ms Harrison had saved around Dh300,000 (US\$81,000) – enough to use as the start-up capital to operate her business.

The Dh300,000 was used to cover costs such as initial rental expenses, store refurbishment and design, a trade licence, sponsorship fees and material costs.

The business plan became a reality in April last year, when Ms Harrison signed a two-year contract for her first store in the Souk Madinat Jumeirah.

She currently pays Dh6,000 per square foot to rent the location, and paid security deposit of 20 per cent.

Processing a trade licence can be an arduous procedure. It took three months for all the paperwork to be completed, and the licence for Louise Harrison Couture finally came



Louise Harrison's original creations range in price from Dh250 to as high as Dh1,600. Jeff Topping / The National

through last July. This allows Ms Harrison to ship in materials from all over the world.

Ms Harrison recommends employing the services of a public relations officer who is designated to communicate with the Ministry of Labour on your behalf.

"Visa fees are Dh10,000 per employee including deposits for the employee's airfare, immigration fee and the PRO fee," Ms Harrison explains.

"I spent Dh13,000 on a professional trade licence and my sponsorship fees are Dh12,000 per year."

Refurbishing the store proved to be one of the biggest challenges.

"Sourcing quotes for the refurbishment was almost an impossible task," she says. "It was boom time in Dubai and Dubai Mall was on the verge of being completed. "Most contractors were far too busy

to take on a small-scale project like my store." The process began last August, but due to changes in document submission policy at the Dubai Civil Defence, it took more than two months just to get fire regulation approval for the store. The store opened officially on December 14, in time for the Christmas rush.

And Ms Harrison's hard work has paid off. All materials for her designs are hand selected, including silks from the Far East and quality cottons from the UK.

She picks only limited amounts of fabric so the costs of sales in terms of manufacturing are around 35 to 40 per cent.

Ms Harrison spins her creations mostly from home, where the spare room is fitted out as a sewing room. But to increase production Ms Harrison wants to hire a workshop near the end of the year.

Hand-stitched and beautifully embroidered with petals and nature-inspired designs, products at Louise Harrison Couture cost between Dh450 to Dh750 for a jacket or triangle-top. The evening couture collection is priced from Dh995 up to Dh1,600, and custom-made hair accessories can be bought from Dh250.

Louise Harrison Couture employs two retail staff.

"For me, it is important to pay more than the going rate for retail staff," she explains. "I want my staff to grow with the business and loyalty is important to me, so both my sales ladies are highly qualified degree holders."

Ms Harrison also works in the store, as customers enjoy receiving fashion advice from her.

The store is open from 10am to 11.30pm, seven days a week.

Marketing is important, especially when times are tough and competition is stiff. Ms Harrison uses a mailing list to keep her customers informed of any new collections or special offers. Regular press releases are sent to the media.

By taking her designs to local craft fairs and design exhibitions, Ms Harrison can keep in touch with what people are interested in buying.

She feels that her business, and creativity, is gaining momentum, and that she has battled through the global financial crisis.

Her customer base is very loyal, and Ms Harrison enjoys the luxury of repeat customers.

"Location is also a key to our success, as Souk Madinat Jumeirah has always enjoyed a huge influx of tourists," she says.

"Had I chosen to open my small boutique in the Dubai Mall, for example, I am sure I would have had an entirely different experience."



Mary Manalo is one of two sales staff at the Louise Harrison Couture. Ms Harrison, the owner, is also available to provide fashion advice. Jeff Topping / The National