

C19: LATEST NEWS

Welcome to our special newswire. In this edition we focus on the measures announced by the Government to support businesses and individuals during the Covid-19 crisis. Please contact us if you wish to discuss any matters in this newsletter.

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BUSINESS SURVIVAL



The Government has stepped in to provide support to certain areas of the economy but even with this becoming available in the coming weeks, some of us will need advice on how to survive the lock down. Here are our thoughts.

1. Apply for all Government supports if you need them.
2. Stay strong - the health of you and your family is more important than your business.
3. Talk to us to help work through forecasts or get the figures needed for the bank.
4. Keep sane - You can't control this, relax and keep busy, research, get new skills, look for new technology and above all keep in regular contact

with customers, suppliers, friends and family.

5. Plan for the end of the lock down – think about how you would do things differently in this changed world.

We cannot know how long this Pandemic will last and what the effects will be on business generally. What we can do is stay focussed and committed to rebuilding our businesses.

Please contact us regarding Government, cash flow and payroll supports. Our business depends on yours and we are all in this together.

GOVERNMENT SUPPORTS FOR BUSINESSES

Here is a summary of the main Government supports available:

- Job Retention Scheme
- Self-Employment Income Support Scheme
- Deferral of Vat Payments
- Extra Time to Pay Your Tax Liabilities
- Business Rates Relief
- Small Business Grant Scheme

- Retail and Hospitality Grant Scheme
- Business Interruption Loan Scheme
- Self-employed Deferral Of 31 July Payments on Account
- Small Employers Can Reclaim 2 Weeks SSP
- Delays in filing of accounts and help for exporters

The full range of supports can be found at:

<https://www.gov.uk/coronavirus/business-support>

Talk to us if you need help with any of the supports available.

THE PANDEMIC BUSINESS SCENARIOS

The stark reality is that there is a change in the economic environment and business owners have the following decisions:

- Continue trading (and possibly benefitting) (e.g. delivery companies)
- Move trading online (e.g. universities, schools)
- Pivot the business (e.g. restaurants doing take away)



HERE TO HELP

- Repurpose to produce in-demand goods (e.g. BrewDog hand sanitiser)
- Cocoon the business temporarily
- Consider liquidation

If you want to put a new Strategy in place talk to us about some of the Planning tools, we have available and putting together some projections.

COCOONING A BUSINESS

Some businesses are going to need to “mothball” or “cocoon” until the Government considers the Pandemic to be of lower risk and trading conditions improve. There are four principles to follow:

1. **Prioritise** - Focus attention on the biggest cost items and those critical to the future of the business. These are the ones which need attention first and will have the biggest impact (e.g. payroll, rent). Once these are managed attention can be turned to the smaller / less critical costs.
2. **Communicate** - Ensure that relevant stakeholders are being informed of what is going on. Remember to be honest and upfront (even if delivering bad news) as this will help maintain relations with stakeholders.
3. **Negotiate** - These are unprecedented times and every business and person will have been impacted by Covid-19 in some way. This means there are no agreed solutions and the opportunity to negotiate and find novel ways of dealing with problems is likely.

4. **Think long term** - Just as important as how you cocoon the business in the first place is thinking about how you unwind what you do in the future. Simply stopping paying creditors is likely to mean there will be a stack of overdue demands when returning the business to operation in the future. The solution is communicating and trying to find solutions that work for both parties such as incentives, payment in kind etc.

If this is your strategy, we have written a paper “COCOONING A BUSINESS” Please ask and we will send this to you.

WORKING FROM HOME - THE NEW REALITY

Employers and employees should be practical, flexible and sensitive to each other's situation when working from home. Here are a few guidelines:

- Talk to each other about how we can improve working from home arrangements
- Allow time to adjust to remote working
- Discuss technology and equipment and agree what's needed
- Consider individual employees' needs, for example anyone with childcare responsibilities, a long-term health condition or a disability and be flexible
- Write down the arrangements that have been agreed so everyone's clear and check insurances to ensure

everyone is covered to work from home

Businesses that are successful with home working generally hold regular Digital team meetings, quizzes, virtual parties etc. Remember it can be lonely and difficult for some people and maintaining our mental health is equally important as our physical wellbeing.

We have produced a help sheet: working from home - Guidance for employers. Please ask and we will email this to you.

MOVING TO DIGITAL – ACCOUNTING PAYROLL AND VAT

Keeping your financial records will become increasingly digital and most businesses will need to use software or apps to keep business records - the days of manual record keeping are over.

We've teamed up with a major software company to provide our clients with the best possible fully compliant accounts package, and there are significant benefits to your business if you use us to help:

- It's on the Cloud so you can get a clear view of your finances any time any place.
- Run your business from work, home or on your mobile.
- It automatically grabs bank receipts and payments in real time and
- Use your mobile to photograph purchase invoices and expenses and upload these to the software.

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: 012512 728598 Email: info@taxaccountancy.com

Please talk to us about moving your records to Digital especially payroll where we can assist with the Job Retention Furlough calculations.

USEFUL RESOURCES:

Government action plan:

<https://www.gov.uk/government/publications/coronavirus-action-plan>

Guidance on social distancing and stay at home:

<https://www.gov.uk/government/topical-events/coronavirus-covid-19-uk-government-response>

Support for businesses:

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses>

Tax helpline to support businesses who are concerned about paying their taxes:

<https://www.gov.uk/government/news/tax-helpline-to-support-businesses-affected-by-coronavirus-covid-19>

NHS Coronavirus (COVID-19):

<https://www.nhs.uk/conditions/coronavirus-covid-19/>

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