

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.

Issue 3 - 24.4.2020

BRITISH BUSINESSES ARE ADAPTING TO LIFE UNDER LOCKDOWN!

Some businesses will prosper during the Pandemic (e.g. those that are already online), and some will need to repurpose or “pivot” into new areas. Others will need to hibernate and regrettably some will not survive the Pandemic. Last week we talked about “Cocooning a business” and this week we focus on pivoting or repurposing.

This means thinking about selling or providing goods or services in a new way. Is it possible?

Yes it is! We have seen several of our clients and other local restaurants doing take-aways or delivering to doorsteps.

We heard about a sports clothing manufacturer now making protective clothing for carers. One engineering company has started using their 3D printers to make PPE. Some fashion suppliers such as Next, have reopened selling online after improving social distancing in their distribution centres.

Most UK supermarkets are prioritising deliveries for vulnerable and elderly shoppers during lockdown and they intend to continue offering this service when the lock down ends.

The good news is British Businesses are adapting and changing to recognise things must be done in new ways and that new thinking is needed.

So, if you are looking for new opportunities and new ways of doing things with your business talk to us. We are helping many clients plan to do things differently.

We use our One Page Plan Programme to understand your goals, strengths, weaknesses, and opportunities and to help you repurpose or pivot your business so you can come out of this Pandemic with new purpose and hope.

XYZ TRADING COMPANY BUSINESS PLAN 2020 – 2022

STRICTLY CONFIDENTIAL

VISION: We will become the leading widget trading company in the UK providing bespoke widget solutions to selected UK and overseas widget distributors, wholesalers and retailers. We will become *partner of choice* for our staff, corporate customers and third party suppliers

BUSINESS DEFINITION: We work with selected distributors, wholesalers and retailers and suppliers of raw materials to consistently deliver quality widget solutions to satisfy their customer widget need. We aim to develop long term business relationships.

STRATEGIC OBJECTIVES: We optimise sustainable profit and enhance our reputation with all of our business partners

OUR JOURNEY	
Directors are slow to take decisions	➡ We have established a high performing senior leadership team
Our plan is vague and poorly communicated	➡ We have a well articulated plan with clear prioritised actions
We operate in any international offshore markets	➡ We operate in selected and profitable global markets including the UK
Our marketing activity is uncoordinated and inadequately resourced	➡ Our marketing plans are targeted on our select markets
Our business has weak market influence	➡ The scale of our market shares creates substantial influence
Our focus is on maximising short term profits	➡ Our focus is on long term value creation

PLAN OBJECTIVES:

* Change from previous year



BUSINESS STRATEGIES FOR 2020:

Develop our client propositions	Acquire and retain selected clients	Enhance our business effectiveness	Develop our people and team capability	Grow our performance
... to build valued long term relationships	... to develop access to our target markets	... to constantly improve and enable future success	... to create a high performance team	... to optimise our long term business value
WE WILL: <ul style="list-style-type: none"> Draft and agree profile of UK merger targets Identify, agree and progress Australian target discussions Draft profiles for business development, marketing and technology manager roles Identify and appoint internal/external candidates for new roles Create, test and evolve territory development blueprint Develop and implement Moscow sales recruitment plan Plan and establish two new regional offices 	WE WILL: <ul style="list-style-type: none"> Analyse, identify and agree key target market territories Develop global territory marketing communications and PR plan Develop proactive internet target marketing capability Enhance and evolve website to increase new client enquiries Review, agree and evolve more focused telesales strategy Develop and agree Middle East trading licence business cases Develop and action proactive Hong Kong and Brisbane sales activity plan 	WE WILL: <ul style="list-style-type: none"> Further develop XYZ Trading IT trading platform Review and enhance existing customer service including online select client questionnaires Review and enhance our workflow process with selected suppliers Upgrade and strengthen existing client referral activity Identify and develop raw material supply chain with regional partners 	WE WILL: <ul style="list-style-type: none"> Regularly brief and engage the team on our One Page Plan Develop and agree personal development plan for new widget customer service team Consider and value a new sales team mentoring, coaching programme Develop structured process for joining up the team Provide sales executives with local access to client data insights information 	WE WILL: <ul style="list-style-type: none"> Manage and review delivery of One Page Plan actions Review reward and recognition scheme Review and determine future strategic value existing IT platform Determine options and actions to secure third party investment capital
				© Signature Private Clients 2012

UPDATE ON GOVERNMENT SUPPORTS



The Coronavirus Job Retention Scheme (CJRS)

The HMRC application portal opened on the 20th April for businesses to submit details of Furloughed employees. On the first day the website was very slow, but this seems to have settled down. There have been several issues uploading the data to the portal especially with overtime and bonuses, Furlough periods, part time and higher paid employees and employers being registered to use the portal.

Please contact us if you need help in these areas. What is clear is that this is a time-consuming process as you must upload data for each individual employee, so our advice is be patient and understand thousands of businesses are all trying to upload data at the same time. Talk to us before you make an application if you have any queries about eligibility or would like an estimate of the claim.

Self-employment Income Support Scheme

The online service to make a claim is not available yet. HMRC will aim to contact you by mid May 2020 and if you are eligible will make payments by early June 2020. We have a spreadsheet calculator to help see if you qualify and estimate your claim. Contact us if you would like a copy.

Business rates relief and Small business rate relief

Rates relief is handled differently in Scotland, Wales, and Northern Ireland. We are now seeing Councils paying the Grants to businesses. If you have not been contacted by your local council go on their website and Register for Grant support. Typically, you will be asked which Grant you are applying for and your business details.

VAT and Self-Assessment tax deferral

UK VAT registered business and have a VAT payment due between 20 March 2020 and 30 June 2020, you have the option to defer the payment until a later date or pay the VAT due as normal. This does not cover payments for VAT MOSS or import VAT. HMRC will not charge interest or penalties on any amount deferred. Several clients have taken advantage of the deferral and cancelled their DD with HMRC. The next deadline for self-assessment

tax is 1 July for your second payment on account. You can delay making payment and you will have until 31 January 2021 to pay it. Remember these amounts will have to be repaid in the future so if you are in any doubt talk to us.

Corona Business Interruption Loans

UK based small and medium-sized business can apply for an interest-free loan of up to £5m. This scheme has faced severe criticism and has been revamped in the last week. It was described by the Governor of the Bank of England as being "Too complicated" and banks are now responding.

£2.8bn of loans have been agreed compared with the £1.1bn approved up to last week and banks are wading through a large backlog. Only 16,624 applications have been approved out of 36,000.

The process requires past, current, and future financial information including projections. We have a process to help you apply including a pre-qualification check. Talk to us if you want help in securing finance under this scheme.

Other Government supports

There are other Government supports for large businesses, exporters and the regions of Scotland, Wales, and Northern Ireland. Contact us for further information.

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

Call: 01252 728 598 Email: info@taxaccountancy.com