



# Immediate Action Planning For Accountants & Tax Professionals

Prepared 22 March 2020

# Planning for The Worst and Hoping For The Best

- Preparing you for the challenges ahead
- Team play
- Cash flow management
- Moving your business forward
- Government support to businesses



# Stay Healthy

Stay healthy, ensure your loved ones are too. After all, if the business closes and you are healthy you can start again. The reverse is not true.

- Follow the Government guidelines for you, your family, co-workers, employees and community.
- Work from home where you can manage administration

# The Team

Get your team members involved and discuss asap:

- likely trading conditions
- get their input on
  - reducing costs and
  - maintaining revenues
  - Contacting clients
    - Become familiar with your COVID 19 support material (see below)
    - Start with the most lucrative clients
    - How they are doing & take notes
    - Follow up immediately

# Work Out Your Cashflow For Next 3 Months

- Expenses (including salaries) for the next three months.
  - Predict/Agree extended payment terms with all suppliers **asap**
- How much do you need to live on
- Calculate what's the breakeven point in terms of billings or fees you need to charge over the next three months.
  - Review your debtors list and chase up overdue invoices (if appropriate) - Predict/Offer existing debtors extended payment terms and/or discounts **asap**
  - Review WIP –
    - Predict realising as much as possible **asap**
    - Make a plan to discuss with clients
- Once you have a grasp on your figures and you consider if you have a “viable” business (can you survive for the next 3 months)

# Review of 2020 Covid 19 Support PM Resources

**Practice Management Resources for 2020 Members**

<b>Agendali Meeting Guide for UK Accountants (and clients)</b>  <a href="#">DOWNLOAD</a>	<b>Tough times Practice Management Checklist</b>  <a href="#">DOWNLOAD</a>	<b>Working from home</b>  <a href="#">DOWNLOAD</a>	<b>Website links for Accountants and Auditors</b>  <a href="#">DOWNLOAD</a>
<b>12 Month Profit Plan</b>  The point of this exercise is to focus on changes to charge rates and utilisation – “How do we maintain our bottom line?”  <a href="#">DOWNLOAD</a>	<b>Government Email Alerts</b>  <a href="#">DOWNLOAD</a>	<b>Action Planning for Firms</b>  <a href="#">DOWNLOAD</a>	<b>Monthly Billing Article and Letters</b>  <a href="#">DOWNLOAD</a>
<b>Debt Collection Article and Letters</b>  <a href="#">DOWNLOAD</a>	<b>Getting Rid of Clients That Won't Pay – Article and Letters</b>  <a href="#">DOWNLOAD</a>		



# Review Your List of Products and Services

- Focus on those that are most appealing to your clients – **BECOME INDISPENSABLE!**
- COVID 19 Support is A MUST service (2020 will support you with this)
- Friday 21<sup>ST</sup> the Chancellor set out a package of measures to support public services, people and businesses through the period of disruption caused by COVID-19
  - Coronavirus Job Retention Scheme
  - Deferring VAT and Income Tax payments
  - A Statutory Sick Pay relief package for SMEs
  - A 12-month business rates holiday for all retail, hospitality and leisure businesses in England
  - Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
  - Grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
  - The Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank
  - A new lending facility from the Bank of England to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans
  - HMRC Time To Pay Scheme



**Get Rid Of Won't Pay Customers.**

# Put Extra Effort Into Making Sure Your Relationships With Your Better Customers are Solid.

Material available to support your clients from 2020:

- Copy for Blogs, web site, social media, emails, Newsletter to clients on:
  - Government support (England)
  - Government support (Scotland)
  - Government support (Northern Ireland)
  - Government support (Ireland)
- Reception Power point slide show (UK Government support and Immediate Actions)
- PowerPoint presentation to use with client's webinar – UK
- PowerPoint presentation to use with client's webinar -Ireland
- Small Business Emergency Action Plan
- Break even spreadsheet
- Manual 6 month cash flow template
- 12 Month Excel simple Cash flow template

# Review of comms with clients & Resources to send to clients

## Communication To Clients

Email statement for you to send to your clients

DOWNLOAD

Small Business Action Plan

DOWNLOAD

## Resources to Send to Clients

Government Support for Business (UK Members)

DOWNLOAD

Government Support for Business (Northern Ireland Members)

DOWNLOAD

Government Support for Business (Irish Members)

DOWNLOAD

Government Support for Business (Scottish Members)

DOWNLOAD

Government Support for Business (Welsh Members)

DOWNLOAD

Meeting Guide for Your Clients

DOWNLOAD

Presentation to Clients – Business Risk and Financial Planning (UK)

DOWNLOAD

Presentation to Clients – Business Risk and Financial Planning (Ireland)

DOWNLOAD

Reception Presentation to Clients – Business Risk and Financial Planning

DOWNLOAD

Guidance for Clients Useful Websites

DOWNLOAD

Furlough Letters Guidance

DOWNLOAD

## Cash Flow and Liquidity Support for Clients

The Government has stepped in to provide support to certain areas of the economy but even with this becoming in the next few weeks some of your vulnerable clients will need advice on how they can continue trading. We cannot know how long this Pandemic will last and what the effects will be on business generally. What we can do is understand the client's businesses, get the figures and pan out some scenarios.

These resources will allow you to understand the basics (breakeven points) evaluate the effects of a downturn in turnover, reduction in prices or reduction in costs and help clients plan accordingly.

### Micro and Small Businesses

#### Break-Even Analysis

This works for retail or service sector clients. For Retail clients enter the GP Margin and expenses and it does the simple calculation of costs divided by profit margin %.

[Read more>](#)

DOWNLOAD

#### Business Analyst – Tool

This is a "what if" tool that can be used as a "one page taster" for smaller clients or a more detailed scenario for medium sized businesses.

[Read more>](#)

DOWNLOAD

#### 6 months Cash Flow Template

DOWNLOAD

#### Business Analyst – Training Video



One Page Analyst

### All Businesses

#### Integrated Cash Flow, P&L and BS – 2 Year Projections

Start by reading the "help" notes (supplied as a separate Word Document) then set your variables. The model also contains What if Scenarios and Graphs and charts.

DOWNLOAD

#### Simple Cash Flow Forecast

DOWNLOAD

#### The Coronavirus Business Interruption Loan Scheme

DOWNLOAD

#### Integrated Cash Flow, P&L and BS – Training Video



Integrated 12-Month Cashflow, P&L and BS

#### A Checklist for Businesses Affected by COVID-19

DOWNLOAD

# Bank

- Talk to your bank if you have or need loans or an overdraft.
- They should be supportive of viable businesses like accountancy firms

# Government Support

- There is Government support.
- 2020 will provide you the information and guidance on how to apply to this help and if you qualify.

# Stay Strong

- Above all stay strong!
- Remember your health and welfare is more important than anything else just now.
- Together we will beat this!



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